

SCRUTINY SCORECARD 2021/22 Q4

Presented by 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 final quarter of 2021/22. The report covers actual performance from 1 April 2021 to 31 March 2022. This incorporates financial, customer, internal process and sustainability measures that have been agreed with Members. This performance report incorporates all facilities / venues and parklands operated in-house by the Authority, which includes the interim solution to the management of the six Leisure Service Contract (LSC) venues that passed to Greenwich Leisure Ltd (GLL) on 1 April 2022.

The scorecard is divided into four sections:

- Financial;
- Customer;
- Internal Business; and
- Innovation and Learning.

It has to be noted, due to the Covid-19 pandemic, several of the indicators normally reported during the corresponding period last year are not covered and this will be covered within the main body of the report.

A summary of the Authority's key achievements up to the end of the final quarter of 2021/22:

- reportable KPI's hit the majority of targets and were as expected;
- 8.9 million visits in 2021/22 to the Park and Facilities. The year-end target was 9 million. Though the number of visits to the parklands is lower than last year (2020-2021), it shows an overall increase of 17% on the equivalent usage in 2019-20 (pre-Covid-19);
- the approved levy of £9.768m (37% of the maximum chargeable) has been achieved;
- construction of the new Ice Centre continues to progress well and is on time for a handover in late October 2022 and on budget;
- the Quest Accreditations target has been met with all LSC facilities retaining their Quest accreditation;

- the Authority has maintained its 'Outstanding' Quest standard for Active Communities; and
- the Authority maintained all its Green Flag Awards.

Factors impacting performance:

- the continuing factor affecting performance has been the ongoing effect of the Covid-19 pandemic, not only on how many facilities had to be closed last year, the ongoing restrictions as they reopened but, in addition, financial performance has suffered as customers return to reopened facilities and programmes come back on line, however, increasing customer confidence is apparent;
- to manage the impact on the budget caused by the Covid-19 pandemic, several contracts including Visitor Tracking were put on hold, reducing the available research data, but these are now operational; and
- usage overall had shown a large increase in visits to parklands last year with the lockdowns imposed by the Covid-19 pandemic. Although usage this year has decreased in comparison, it has stabilised at a much higher level than previously, with over a third more visitors to parklands.

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 At the Scrutiny Committee on 15 October 2009 (Paper S/02/09) it was agreed that a performance scorecard should be developed for the Authority and that this should act as a starting point for discussion that may initiate scrutiny reviews to investigate areas of concern or future development.
- 2 At the Scrutiny Committee on 27 January 2010, a scorecard for the whole Authority was presented and discussed. This resulted in a revised scorecard incorporating Members' comments and was agreed at the Scrutiny Committee on 7 April 2010. It was agreed that officers would provide an update of the scorecard each quarter to Scrutiny Committee.
- 3 At the Scrutiny Committee on 22 February 2018, an update to the scorecard was proposed and this was agreed at Executive Committee on 22 March 2018 (Paper E/550/18).
- 4 The balanced scorecard for the Authority is shown in detail at Appendix A to this report and contains data up to 31 March 2022. The following paragraphs summarise the key messages from the data with further explanation.

FINANCIAL PERSPECTIVE INDICATORS - (KPI and PI)

5 KPI 1: Levy Contribution

The levy for 2021/22 has been increased from previous years with a 2% increase and is now 37% of the maximum chargeable. A new levy was approved at January 2022 Authority setting the levy at £9.768m for 2021/22 in line with the revised Business Plan objectives for 2020-2025.

6 Sport & Leisure Venues (£1,722,000 deficit)

This quarter 4 report is the last time that Sport and Leisure Venues will be reported in this format. In future it will form part of the Leisure Services Contract report supplied by Greenwich Leisure Ltd (GLL).

The budget for the Sports Venues was set in line with the original Leisure Services Contract bid value of £1.557million, which included £550,000 for asset management works and £100,000 property insurance. However, this was set on the basis of being able to operate the venues at full capacity without any restrictions. It was recognised in the budget that this was not practical and a £700,000 income contingency was built in. The budget had also assumed a full year's operation of Lee Valley Ice Centre when set, which changed with the decision to close the venue in July 2021 to enable construction of the new venue to be completed by November 2022.

The Sports Venues have successfully operated in line with Government restrictions. Reopening business plans were put in place for each venue ensuring that they generate a positive financial impact, are Covid-19 safe to the highest standard and protect the Authority's reputation. Overall, venues have exceeded the targets within these business plans. However, there is still a £1,722,000 deficit against the budget, and further detailed explanation is given below.

Sales of gift vouchers are at their highest for a number of years, but due to restrictions, the number of sessions available for these to be redeemed are limited. All gift voucher expiry dates have been extended for an extra year to give customers a fair opportunity to redeem them. The value of these pre-payments is to be confirmed in line with contract negotiations with GLL, with a current estimate of £150,000 included, based on current unredeemed vouchers and redemption rates.

Lee Valley Ice Centre (£498,000 deficit)

The closure of Lee Valley Ice Centre to allow construction of the new venue has resulted in an overspend of £498,000 against budget, mainly due to loss of income, where the budget had assumed a full year of operation. Costs have been controlled and whilst they remain charged against the venue budget, staff have been redeployed to other venues for the period of closure.

Lee Valley VeloPark (£274,000 deficit)

Lee Valley VeloPark has faced most restrictions on the indoor track, which impacts the biggest income generating areas of the track programme and corporates. As sessions were introduced they sold out, with activities running at 90% - 100% capacity. The Six-Day event that was planned for this year was cancelled by the event promoter who has suffered from not being able to hold events during lockdown, which has impacted event income. However, we were able to successfully host rounds 3 and 4 of the UCI Track Champions League in December. Combined with the impact from pre-payments, this has resulted in £274,000 overspend against budget, which equates to a 61% overspend against net budget.

Lee Valley White Water Centre (£500,000 deficit)

Demand for the restricted programme at Lee Valley White Water Centre has been good, with strong bookings for rafting sessions and lake activities over the summer season. Rafts were limited to six customers (nine per raft is usual capacity), with three rafts per session (reduced from eight) until restrictions were eased, which limited income for that period. The café initially offered a take away only service and as restrictions lifted the indoor café reopened. Winter restrictions had a further impact on catering income. There have been ongoing issues with pumps that incurred additional expenditure on maintenance, and additional electricity consumption where normal efficient pump management was not possible. Combined with the impact from pre-payments this has resulted in £500,000 overspend against budget which is predominantly due to under achieving income by 19%.

Lee Valley Hockey and Tennis Centre (£119,000 surplus)

At Lee Valley Hockey and Tennis Centre the programme recovered well and over achieved income across both tennis and hockey activity. Savings were achieved through a restructure and voluntary redundancy. Due to restrictions, we were unable to host the England Hockey Pro League events in the same format as previous years with less matches and no spectators, which reduced income by over £100,000.

Lee Valley Athletics Centre (£104,000 deficit)

Lee Valley Athletics Centre recovered well with most activities back in operation, good demand for athletics events and memberships returning close to pre Covid-19 levels. However, there has been limited opportunity for larger community type bookings for non-sporting events this year, with demand returning strongly for next year.

Lee Valley Riding Centre (£354,000 deficit)

The lesson programme at Lee Valley Riding Centre has suffered from restrictions, with only private lessons available for the early part of the year, with group lessons being reintroduced during the summer. Demand for these is good, but availability of riding instructors has been an issue and is limiting the number of sessions that can be offered. This is the largest area of income generation for the venue and is the main cause of the overspend.

7 External Capital Funding PI

In recent years the ability to attract external grant funding to support the capital programme has been limited to a very small number of options. Some funding applications require shovel ready projects and have a very short application timetable. Recently work on getting some projects to a more advanced point and prioritising the need has opened up some new opportunities and external capital funding is currently being pursued for projects at East India Dock Basin and Waltham Abbey Gardens, which was reported in the Capital Programme Budget Monitoring report (Paper E/766/22). The Authority has therefore shifted its strategic approach to realising more of its funding from utilising its own asset base through the work carried out by the Member led Land & Property Review Working Group. Officers are also continuing to review our open spaces and venues to identify key strategic sites for investment. It is anticipated this will

generate additional funds that can be used to develop the Park further through the capital programme.

CUSTOMER PERSPECTIVE INDICATORS - (KPI and PI)

8 KPI 2: Customer Satisfaction

The KPI for Customer Satisfaction could not be reported in 2020/21 due to the restrictions on the Authority's budget caused by the Covid-19 pandemic, with the Visitor Tracking contract being held in abeyance precluding visitor surveys. This year continues to show an improvement in customer satisfaction levels to 86%, in comparison to the last year data was available (2019-2020) where the level was 84%.

9 KPI 3: Usage

8.9 million visits were made to the Authority's open spaces and currently managed facilities (six of which sit in the Leisure Service Contract from April 2022) up to the end of the final quarter of 2021/22. This is 1.28 million (12.58%) less visits than by the same period last year which is attributable to the greatly increased usage of parklands caused by the Covid-19 lockdown during the same period in 2020/21.

Q4

The weather in January varied, being mild at the beginning of the month, with night frosts from the 4th and turning milder again from mid to end of the month. There was a long dry spell at the beginning turning wetter at the end of the month. It was a dry month with rainfall a quarter less than average.

The first few days of February were relatively settled at times, though from the 12th onwards rain became more frequent, with an unsettled regime lasting for the rest of the month, and a particularly stormy spell between the 16th and 21st. Frosts were less than average though rainfall was higher. It was England's fifth warmest February since 1884. March started rather cold and the first half was generally unsettled, but it became milder, and high pressure took charge from mid-month with sunshine becoming plentiful. It was the second sunniest March since 1919. The end of the month was less settled and much colder, however St James Park recorded a temperature of 20.8 °C. on 23rd March.

	2021/22	2020/21		
	Q4	Q4	Change	%
Mean Temp.	6.7	5.4	+1.3	24%
Ave Rainfall	42.8	66.3	-23.47	-35%
Ave Sunshine	109	74.2	+34.77	+47%

10 KPI 4: Stakeholder Perception

The overall perception score is generated by asking a range of stakeholders a set of standard questions. This is to assess their overall perception of the Authority. The last survey had been carried out at the annual London Councils Summit in 2018/19. 60 Councillors from 27 of the London Boroughs present at the Summit in Q3 for 2018/19 took part. Based on results the score of 74% was below the target of 75% but was an increase of 1% from the previous year's score of 73%. This, combined with feedback from sports development

stakeholders had given an overall score of 74%, which was a slight decrease on the previous year. The next survey was to have been held in Q3 of the 2019/20 year, but the event was cancelled due to the General Election and the event scheduled for 2020/21 was cancelled due to the Covid-19 pandemic. The London Councils Summit for this year did not take place, but is to be on their agenda for next year.

11 Usage PI

Usage across the open spaces has decreased by 1,715,234 (18.7%) compared to the previous year; however there has been an increase within facilities and services of 448,702 (32%). With facilities closed in the corresponding period last year due to the Covid-19 pandemic and services such as Youth and Schools also closed, usage of parklands was substantially increased and, though it has decreased in comparison this year, it is still higher than in previous years. Youth and Schools only recommenced operations at the start of September and Hayes Hill Farm is now leased to an external operator.

Open spaces usage showed a major increase last year due to the Covid-19 lockdowns which encouraged more visitors to the parklands. Although visitor numbers have dropped this year in comparison to the equivalent period last year, numbers are still substantially higher than previous years. With the ongoing changes to Covid-19 restrictions and despite the poor weather overall, the number of visitors to the parklands is still encouraging.

12 Customer Satisfaction PI

Due to the decision not to award the Visitor Tracking contract to minimise the impact on the budget of the Covid-19 pandemic and the closure of the facilities/venues, customer satisfaction could not be measured last year. Overall satisfaction this year has shown an improvement on the last year for which data is available.

13 Formal Complaints PI

The number of formal complaints received up to the end of quarter 4 has increased from 106 last year to 187 this year. The majority of complaints were focussed on the closure of Cornmill Meadows car park due to it being utilised as a Covid-19 testing centre, flooding at Old Mill & Meadows, ground conditions at Three Mills, Lee Valley Hockey & Tennis Centre standard of coaching and volunteers not wanting to wear face covering after the restriction were lifted by the Government.

14 Formal Compliments PI

The number of formal compliments received up to the end of quarter 4 has reduced from 98 last year to 89 this year. The compliments focus mainly on the Lee Valley White Water Centre where staff service has been singled out for praise.

15 Regionality PI

With no visitor tracking contract in place last year it is not possible to compare year on year this PI for Open Spaces and, with the Facilities closed due to the Covid-19 pandemic, data is not available for this PI for the Facilities for last year

either. The Regionality for this year shows numbers from outside the region (3-mile radius of sites) is higher than in previous years, which can be attributed to the continued pandemic situation where UK residents are not holidaying outside the country, but instead are taking advantage of campsites and facilities within the UK.

16 Visitor Profiling PI

As above, it is not possible to compare year on year this PI for Open Spaces and with the Facilities / venues closed for an extended period due to the Covid-19 pandemic, data is not available for this PI either for last year. The profiling for this year shows minor changes from the last year for which we have data, with a slight decrease in visits from black and minority ethnic groups, and an increase in those aged over 60 and disabled users.

17 Website Hits PI

There has been a drop in Website hits up to the end of quarter 4 2021-22 compared to the equivalent period last year. This decrease on last year continues to be down to the restricted access and the decrease in events and activities within the Park. The addition of a new website which would have broken previously saved links to the website for visitors, resulted in it being slow to rank on Google (the most used search engine). In addition, the Authority's reduction in the number of websites (with the closure of Trust sites) has had an impact.

18 Media Articles/Percentage Positive Media Articles PI

There has been an increase on the number of positive articles about the Park, compared to the same period last year, when the Covid-19 pandemic led to venue closures, events ceasing, major events being cancelled and staff furlough meaning a huge scaling back of promotional activities. In this year, venues were largely open (albeit with restrictions at times) and the team focused on communicating these venue reopenings - along with safety and reassurance messaging, capitalising on the continued interest in open spaces and outdoor activities, and gaining coverage during the Tokyo Olympics looking back at Team GB 2012 medal wins.

There have been no negative articles relating to LVRPA over the last quarter or in fact over 2021-22. However, there have been 11 articles considered 'neutral' in Q4. These referred to crimes taking place in the Tottenham area:

- murder suspects discarding a weapon near Tottenham Marshes; and
- suspected robbers fleeing the police via Tottenham Marshes.

19 Response Time – Complaints PI

The response time for complaints has remained consistent at 2 days for 2021-22 and for the equivalent period last year. There has been a continued increase in FOI requests with the range of projects in progress by the Authority, with FOI/EIR reported separately.

20 Response Time – FOI/EIR Requests PI

The response time for FOI/EIR requests has remained at 20 days and is the same as the equivalent period last year. There has been a continued increase in

FOI requests with the range of projects in progress by the Authority, with many of the responses required being similar in content, covering such subjects as:

- Ice Centre Funding/Business Plan (FOI);
- Rye House Stadium and Football Pitches (FOI);
- Works on Walthamstow Marshes (EIR);
- Paddocks – Rear of Riding Centre (EIR);
- Lee Valley White Water Centre – Car Park Management (FOI); and
- LVRPA co-operation with University College London (EIR).

21 Cleanliness PI

The average cleanliness score of 96% is higher than the equivalent period last year and exceeds target. The main areas of concern are Three Mills Green where a dialogue has reopened with the school and the WaterWorks golf course where a dog bin was being missed within the new grounds maintenance contract. Any areas of unacceptable cleanliness are reported to the grounds maintenance contractor and are monitored using ParkTracker to ensure any concerns are acted upon.

INTERNAL BUSINESS PERSPECTIVE

22 KPI 5: 2022-27 Business Plan Objectives

Members had agreed a 2016-19 Business Plan and a Work Plan which commenced in April 2016. Of the 20 objectives due for completion by the end of the work plan, 19 achieved target with 1 having slipped (5%) and this was due to the impact of the Covid-19 pandemic. The Authority produced a short-term business plan and Corporate Work Programme for 2021/22 to enable it to function during the pandemic and a new 5-year Business Plan is being produced to cover the period from April 2022, which will factor in the various work streams, new LSC, Ice Centre redevelopment and other developments.

23 Open Space Quality Awards (Green Flag, London in Bloom) PI

With the budget constraints in place due to the Covid-19 pandemic a decision was made not to submit sites for London in Bloom in the 2020/21 year, though Green Flag submissions had been made. All sites submitted for Green Flag successfully retained the award for this year and have been re-submitted for next year, as have the London in Bloom sites.

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

The programmed Quest Assessments up to the end of the final quarter of the year have been all been completed with all relevant sites retaining the Quest accreditation. Active Communities retains its Outstanding accreditation and Youth and Schools retains its Learning Outside the Classroom (LoTC) accreditation.

25 Staff Turnover PI

Staff turnover is higher than last year, though within the acceptable range. This equates to 82 staff in total, with 22 redundancies (a voluntary redundancy scheme was offered to staff) and 34 resignations, with staff moving on to other employment. A large proportion of staff were placed on furlough from April 2020

taking advantage of HM Government's Coronavirus Job Retention Scheme (CJRS) to assist in managing the Authority's budgets which continued into the first half of 2021, finally ending on 30 September 2021.

26 Staff Sickness PI

By the final quarter of the year, there was 5.62 days sickness with a target of 3 days. This continues to be lower than the private sector or other comparable public bodies. This figure has varied over the last two years from a low of 1.38% to a higher 4.5% which included staff employed by the Trust.

Q1 – 0.61 sick days per FTE – This is particularly low as many staff were still on furlough during Q1 and there was no long-term sickness at this point.

Q2 – 1.09 sick days per FTE – Still fairly low due to furlough, but a lot of staff were back on part time furlough during Q2 and this includes 4 employees that were on long term sick at this point. All 4 employees are now either back at work or no longer working at the Authority.

Q3 – 1.72 sick days per FTE - This figure includes 5 employees on long term sick – 3 of who have had operations and are still off, 1 due to cancer, who is still off as well and 1 due to an injury, who is due to resume work.

Q4 - 2.2 sick days per FTE - This figure includes 7 employees on long term sick – 3 who had operations and 2 now back on a phased return and 1 transferred to GLL starting a phased return to work with them.

The end of year figure for whole of 2021/22 is 5.62 days sick per FTE.

This is broken down into 3.76 days per FTE for long term sickness (more than 4 weeks) and 1.86 days per FTE for short term sickness (less than 4 weeks).

27 Percentage Waste Recycled PI

Although there was an increase in the amount of waste produced and collected up until the end of Q4 (20%) the Grounds Maintenance contractor has recycled 91% of the waste collected, a drop in 1% on the previous year (92%). The 1% reduction continues to be due to the increased amount of non-recyclable waste sorted from the waste collected.

INNOVATION AND LEARNING PERSPECTIVE

28 Staff Satisfaction Survey – Annual PI

Due to the onset of the Covid-19 pandemic, a staff satisfaction survey planned has been put on hold, however, a Health, Safety and Wellbeing Survey took place in July 2020 and another one is planned for May/June 2022 to take into account the transition of staff to the Leisure Service Contract.

Overall, the survey results were very positive. The feedback suggested that staff felt they have been well looked after by the Authority, with the majority of staff feeling that they were in a good place in terms of their mental health and that on the whole, communications have been regular and well received.

29 Staff Training PI

With the original onset of the pandemic, all face-to-face training (with a few exceptions) was cancelled, though staff working from home and those who were furloughed had been able to continue training through e-learning modules.

For 2021/22 face-to-face training resumed where necessary but remote training and eLearning has still been a preference where possible. In Q1 62 staff attended face-to-face and remote training and in Q2 this increased to 87 staff. In terms of eLearning, this resulted in 59 staff in Q1 and 103 staff in Q2 undertaking eLearning modules. An additional 140 staff attended training in Q3. This was a mixture of face-to-face, remote and eLearning. In Q4 a further 137 staff attended training, with 64 of these being face-to-face and included IOSH Managing Safely, Emergency first aid, first aid requalification and disability awareness training. 73 of the sessions were eLearning.

30 Health and Safety Audit PI

H&S Audits were originally planned to be carried out on a quarterly basis, with a score adding up to a cumulative annual total. Budgetary constraints resulted in a status quo of the process, with one annual audit, taking place in December 2021 or January 2022, which have all been completed. RDHS, the Authority's H&S contractor, were instrumental in preparing facilities for re-opening and supporting the Senior Management Team with advice and information during the ongoing Covid-19 restrictions. The current Health and Safety contract is being retendered with a start date planned of 1 October 2022.

31 Health and Safety Accidents and Incidents (Internal/External) PI

There has been a drop in the number of accidents and incidents reported up to the end of the final quarter of 2021/22. This is due to the restricted opening of facilities within the first half of the year, though there has been a concomitant increase in the number of injuries to staff with the re-opening of sites to the public. Staff training at sites has been increased to reduce the number of staff accidents, the majority of which have been minor. The Safety Co-Ordination Group was recommenced in October 2021 with a range of new members and an additional Health and Safety Forum has been implemented.

FINANCIAL IMPLICATIONS

32. There are no financial implications arising directly out of the recommendations in this report.

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

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

EQUALITIES IMPLICATIONS

- 36 There are no equalities implications arising directly from the recommendations in this report.

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PREVIOUS COMMITTEE REPORTS

Scrutiny	S/58/21	Scrutiny Scorecard 2021/22 Q2	18/11/21
Scrutiny	S/54/19	Scrutiny Scorecard 2019/20 Q2	21/11/19
Scrutiny	Sent Via Email	Scrutiny Scorecard 2019/20 Q1	09/19
Scrutiny	S/49/19	Scrutiny Scorecard 2018/19 Q4	20/06/19
Scrutiny	S/48/19	Scrutiny Scorecard 2018/19 Q3	25/04/19
Scrutiny	S/47/18	Scrutiny Scorecard 2018/19 Q2	22/11/18
Scrutiny	S/50/19	Holyfield Hall Farm Update	20/06/19
Scrutiny	S/51/19	Community Access Fund	20/06/19
Scrutiny	S/43/18	Scrutiny Scorecard – Indicator Review	22/02/18

APPENDICES ATTACHED

Appendix A	Authority Scrutiny Scorecard
Appendix B	Revenue Monitoring Report and appendices

LIST OF ABBREVIATIONS

KPI	Key Performance Indicator
LWWC	Lee Valley White Water Centre
LVVP	Lee Valley VeloPark
LVHTC	Lee Valley Hockey & Tennis Centre

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Financial Perspective	KPI/PI	Target	Last Equivalent	This Period	Direction of Travel	Expectation
Levy Contribution	KPI 1	37.0%	36.7%	37.0%	↑	37.0%
Total income generation	PI	£13.3m	£6.1m	£12.7m	↑	£12m
External Capital Funding	PI	0%	3%	0%	↔	0%

	Budget		This Period		Direction of Travel
	Target	Last Equivalent	This Period	Last Equivalent	
PI	0	3	11	0	↑
Abbey Gardens	0	10	6	0	↓
Bow Creek / EIDB	0	19	2	0	↓
Gunpowder Park	0	8	18	0	↑
River Lee Country Park	0	0	0	0	↔
Rye House Gatehouse	0	0	0	0	↔
Three Mills	0	0	0	0	↔
Tottenham Marshes	0	0	0	0	↔
WaterWorks Nature Reserve	0	0	0	0	↔
Countryside Areas	122	165	157	0	↓
Myd Hse Gardens & Vis Cntr	93	6	121	0	↑
Hayes Hill Farm	0	0	4	0	↑
Holyfield Farm	475	523	562	0	↑
Fisheses	164	164	148	0	↓
Youth and Schools	21	0	21	0	↔
Events	10	2	145	0	↑
Sport and Active Recreation	0	0	0	0	↔
Volunteers	0	0	0	0	↔
LV Cam site Sewardstone	329	325	435	0	↑
LV Caravan Park Dobbs Weir	761	650	838	0	↑
LV Camping and Caravan Park Edmonton	280	62	267	0	↑
LV Almost Wild Cam site	44	37	47	0	↑
LV Golf Course	170	57	109	0	↑
LV Marina Stanstead	791	645	829	0	↑
LV Marina Springfield	941	940	1005	0	↑
LV WaterWorks Centre	2	2	0	0	↓
LV VeloPark	1915	94	1536	0	↑
LV Hockey and Tennis Centre	728	173	777	0	↑
LV Ice Centre	952	114	63	0	↓
LV Riding Centre	1023	307	629	0	↓
LV Athletics Centre	665	129	457	0	↓
LV White Water Centre	2528	354	2049	0	↓

Tolerance	Performance against target
<5%	Achieving or exceeding target
5-10%	Just missed target
>10%	Below target

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

Customer Perspective	KPI/PI	Annual Target	Last Equivalent	This Period	Direction of Travel	Expectation
Customer Satisfaction (Overall)	KPI 2	85%	N/A	86%	↑	85%
Usage	KPI 3	9 m	10,174,737	8,894,264	↓	9 m
Stakeholders Perception	KPI 4	75%	74%	74%	↔	74%
Complaints	PI	105	106	187	↑	200
Compliments	PI	99	98	89	↓	125
Regionality	PI	37%	N/A	63%	↑	65%
Visitor Profiling	PI					
- from the most deprived socio-economic groups		10%	N/A	13%	↑	10%
- from black & minority ethnic groups		30%	N/A	32%	↑	33%
- aged over 60yrs		25%	N/A	33%	↑	33%
- disabled		5%	N/A	8%	↑	8%
Website Hits	PI	2.3m	1,023,467	854,880	↓	900k
Media Articles	PI	3,000	1,069	1,510	↑	1,600
%age positive articles	PI	95%	93.2%	94%	↑	95%
Response times to all communications (excluding FOI/EIR)	PI	10	2	2	↔	3
Response Times to FOI/EIR	PI	20	20	20	↔	20

Customer Perspective


PI	Usage			Customer Satisfaction			Complaints			Compliments			Regionality			H & S Quarterly Audit (cumulative annual)			Cleanliness				
	Last Equivalent	This Period	Direction of Travel	Last Equivalent	This Period	Direction of Travel	Last Equivalent	This Period	Direction of Travel	Last Equivalent	This Period	Direction of Travel	Last Equivalent	This Period	Direction of Travel	Last Equivalent	This Period	Direction of Travel	Last Equivalent	This Period	Direction of Travel		
Overall Target		10,174,737			105			99		N/A													
Abbey Gardens	435,350	465,797	↑	N/A	11	4	↑	0	1	↑	N/A	N/A	N/A	N/A	N/A	N/A	90%	96%	97%	97%	↑	90%	
Bow Creek / EIDB	725,326	544,264	↓	N/A	1	1	↔	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	88%	97%	97%	91%	↓	97%	
Gunpowder Park	420,384	429,365	↑	N/A	5	5	↔	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	88%	94%	94%	100%	↑	94%	
River Lee Country Park	2,437,221	1,981,843	↓	N/A	17	34	↑	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	86%	93%	93%	96%	↑	96%	
Rye House Gatehouse	35,373	41,414	↑		0	0	↔	0	0	↔													
Three Mills	283,678	255,368	↓	N/A	0	0	↔	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	79%	90%	91%	89%	↑	89%	
Tottenham Marshes	1,152,051	961,843	↓	N/A	2	3	↑	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	88%	91%	91%	95%	↑	95%	
Waterworks Nature Reserve	715,466	374,503	↓	N/A	2	2	↔	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	90%	100%	100%	98%	↑	98%	
North Sites	485,717	497,125	↑	N/A	37	44	↑	0	1	↑	N/A	N/A	N/A	N/A	N/A	N/A	84%	82%	82%	88%	↑	88%	
South Sites	2,485,040	1,884,671	↓	N/A	19	17	↓	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	88%	97%	97%	99%	↑	99%	
Myd Hse Gardens & Vis Cntr	6,481	30,660	↑	N/A	0	1	↑	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	90%	93%	93%	95%	↑	95%	
Holyfield Farm																							
Youth and Schools	0	4,500	↑	N/A	0	0	↔	0	4	↑	N/A	N/A	N/A	N/A	N/A	N/A	100%	97%	97%	Q4	↑	Q4	
Events	N/A	N/A		N/A	N/A	N/A		N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sport and Active Recreation	N/A	N/A		N/A	N/A	N/A		N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Volunteers	8,767	17,110	↑	N/A	0	6	↑	95	38	↑	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV Cam-site Sewardstone	11,252	19,837	↑	N/A	0	3	↑	0	1	↑	N/A	N/A	N/A	N/A	N/A	N/A	85%	94%	94%	98%	↑	Q4	
LV Caravan Park Dobbs Weir	9,465	19,686	↑	N/A	1	3	↑	0	1	↑	N/A	N/A	N/A	N/A	N/A	N/A	84%	90%	90%	90%	↑	Q4	
LV Campling and Caravan Park Edmonton	4,359	19,130	↑	N/A	1	4	↑	0	3	↑	N/A	N/A	N/A	N/A	N/A	N/A	83%	94%	94%	94%	↑	Q4	
LV Golf Course	4,427	8,298	↑	N/A	1	1	↔	1	0	↓	N/A	N/A	N/A	N/A	N/A	N/A	72%	82%	82%	82%	↑	Q4	
LV Marina Stanstead				N/A	1	0	↓	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	77%	90%	90%	97%	↑	Q4	
LV Marina Springfield				N/A	1	3	↑	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	82%	94%	94%	94%	↑	Q4	
LV WaterWorks Centre				N/A	0	0	↔	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A							
LV VeloPark	780,951	782,473	↑	N/A	2	15	↑	1	3	↑	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV Hockey and Tennis Centre	7,614	131,423	↑	N/A	3	6	↑	0	0	↔	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV Ice Centre	9,382	8,513	↓	N/A	1	5	↑	1	1	↔	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV Riding Centre	9,006	38,248	↑	N/A	1	1	↔	0	1	↑	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV Athletics Centre	23,420	191,152	↑	N/A	0	1	↑	0	9	↑	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV White Water Centre	124,007	187,041	↑	N/A	0	28	↑	0	26	↑	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Totals	10,174,737	8,894,264	↑	N/A	106	187	↑	98	89	↑	N/A	N/A	N/A	N/A	N/A	N/A	88%	93%	93%	96%	↑	96%	

Internal Business Perspective	KPI/PI	Annual Target	Last Equivalent	This Period	Direction of Travel	Expectation
Business Plan Objectives	KPI 5	80%	N/A	N/A	↔	N/A
Open Space Quality Awards (Green Flag, LIB)	PI	17	9	9	↔	9
Service Quality Awards (Quest, LOTC)	PI	8	8	8	↔	8
Staff Turnover	PI	10-20%	1.00%	5.91%	↑	12.5%
Staff Sickness	PI	3	1.38	5.62	↑	2.3
%age Waste Recycled	PI	80%	92%	91%	↓	90%

Innovation and Learning Perspective	KPI/PI	Target	Last Equivalent	This Period	Direction of Travel	Expectation
Staff satisfaction Survey Annually (six monthly)	PI	75%	75%	75%	↔	75%
Staff Training Attendance	PI	160	581	588	↑	550
H & S Quarterly Audit (cumulative annual)	PI	95%	94%	94%	↔	95%
H & S Accidents and Incidents (Internal/External)	PI	1109	540	450	↓	475
H & S Accidents and Incidents (Staff/Volunteer/Contractor)	PI	65	20	28	↑	30

N.B - for this year (21/22) H & S Audit will be annual as in previous years and not quarterly

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 <p>LEE VALLEY REGIONAL PARK AUTHORITY</p> <p>EXECUTIVE COMMITTEE</p> <p>26 MAY 2022 AT 10:30</p>	<p>Agenda Item No:</p> <p>Report No:</p> <p>E/767/22</p>
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Q4 REVENUE BUDGET MONITORING 2021/22

Presented by the Head of Finance

EXECUTIVE SUMMARY

This report summarises service spending for 2021/22 compared to budget. Figures are 'near final' and are only likely to be the subject of small changes during the remainder of the closure of accounts process. The overall net operational expenditure at the year-end is expected to be an estimated £325,000 under the approved budget for 2021/22.

This represents a reduction to that reported to Members at Q3 (Paper E/754/22) with explanations provided in this report.

The majority of reasons for variance were anticipated and reported to Members during the year as part of the quarterly monitoring reports to Executive Committee. Final figures will be incorporated into the audited accounts for 2021/22.

Service Description	Final Projected Variance
	£000s
Local Restriction Grants	-508
Smaller Venues	37
Sport & Leisure Venues/Support	1,722
Corporate Insurance	-148
Events	-283
Redundancy Contingency	-88
Corporate Services	-326
Parklands and Open Spaces	-209
Business Rates Refund	-73
Other	39
Sub Total before Contingency	-35
Contingency/Growth & Savings	-290
Total Estimated Under Spend	-325

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 The Executive Committee recommended a budget for 2021/22 at its meeting in January 2021 (Paper E/708/21). Members approved this at the Authority meeting on 21 January 2021 (Paper A/4292/21). This report compares income and expenditure to 31 March 2022 with the budget.
- 2 The summary financial position of each Authority service or facility is shown in Appendix A to this report.
- 3 The year-end position shows a projected net under-spend of £325,000 against the net revenue budget surplus of £45,000. The net surplus for the year is forecast as £370,000.
- 4 Where significant over/under spends are projected at the year-end for particular facilities/services a brief explanation is provided below.

GENERAL ECONOMIC FACTORS

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

The interest rate rises since December 2021 did not start to show significant impact on short term investment rates until February 2022, but due to the Authority's investment and borrowing profile didn't filter through to increases in investment income until April. The need to hold monies short term for operational need restricts our investment returns. The Treasury Management Activity report (Paper E/765/22) presents further detail of treasury activity during 2021/22.

The Head of Finance continues to monitor the Authority's cash/investments and the institutions that they are invested in and will keep Members updated on any variances in this position through quarterly monitoring reports in 2022/23.

7 Pay Award

The pay award for 2021/22 was agreed between the Employers and Unions in March 2022 as a 1.75% increase for all National Joint Council (NJC) scale

points above 1, and 2.75% for scale point 1. Senior officer pay is a matter for local determination and Members agreed for a pay increase in line with the NJC award (Paper E/758/22). The award was applied to the March 2022 payroll and included backdated pay due from April 2021. The Authority provided for a 2% uplift in pay as part of the budget process.

The 2022/23 budget includes provision for a 2% pay award. As inflation has increased there is a risk that the award could be higher. An additional 1% would lead to approximate costs of around £70,000. Unions continue to consult their members before setting out their 2022 pay claim to NJC.

8 VAT Claim on Sporting Income

There is still a possibility that a VAT reduction could be applied to local authority sporting income. Our VAT consultants have been using a lead case in respect of non-business treatment and considered the impact of reclaiming VAT on the protective VAT claims previously lodged with Her Majesty's Revenue and Customs (HMRC). It is believed there is merit in seeking a repayment of the VAT on the basis that this is non-business income (this is a reclaim of VAT for the Authority business pre 2015 with no implications or impact on the Lee Valley Leisure Trust Ltd (the Trust) activity/VAT). The value of the potential VAT repayment could result in a payment for the Authority. Officers have submitted calculations to KPMG for review and they have submitted a claim and appeal to HMRC. The lead case was heard in the First Tier Tribunal (FTT) in October 2020 and was found in favour of the local authorities. HMRC appealed the decision which was heard by the Upper Tribunal in March 2022, from which a decision is expected by the summer. The Authority is supporting Chelmsford City Council, the lead body in the case.

9 Inflation

March's inflation for the Retail Price Index (RPI) stood at 9.0% and Consumer Price Index (CPI) at 7.0%. Inflation is expected to peak at around 10% and then begin to fall, with the Bank of England forecasting a cautious return towards the target rate of 2% in around two years' time (Bank of England Monetary Policy Report May 2022).

10 Energy Costs

Gas prices have risen over the last year and are expected to continue to rise, which will increase risk around utility costs. The Authority purchases utilities through Laser, a consortium managed by Kent County Council, which purchases from the wholesale market and ensures public sector customers achieve best value. The Authority is not a big consumer of gas, with an annual budget of £130,000. Traditionally Lee Valley Ice Centre was the biggest user of gas, but the new venue will not have any gas usage, and with the transfer of sports venues operations to Greenwich Leisure Ltd (GLL) in April 2022, the overall risk has reduced.

In line with our signed contracts for accessing the 2020-2024 Laser framework, our initial contract period was secured with fixed prices. We agreed to this fixed cost for 24 months, so the market price movements of wholesale electricity and gas prices will not affect us until October 2022, when we will join the flexible basket arrangement in line with our agreement.

Therefore, there was little impact from increased energy prices on the outturn for 2021/22, however increases in consumption at some venues are reflected in the

outturn, and further detail is provided in paragraph 23. This was considered as part of the budget process for 2022/23, and a contingency budget of £300,000 for utility costs has been included.

11 Covid-19 Support

At the start of the Covid-19 crisis central government set up the Coronavirus Job Retention Scheme (CJRS), which provided a grant to fund employees' wages if they were furloughed whilst businesses were unable to operate. This was to allow employees to retain employment in the longer term once lock-down was eased. Originally this scheme was only available for 3 months to the end of June 2020, but was subsequently extended a number of times up to the end of September 2021. When the Authority's budget for 2021/22 was set in January 2021, there was an expectation that the scheme would end by April 2021. However, this was extended until September 2021 in the Chancellors Budget in March 2021. The Authority benefited by around £510,000 for this financial year.

In 2021/22 the impact of Covid-19 has also resulted in the Authority receiving business rates relief (100%) for the majority of its venues for the first three months, with an additional 66% relief for the remaining 9 months of the year. The saving of £1.7m was accounted for in the budget.

The Authority has been able to access the Local Restrictions Support Grants (LRSG) and Restart Grants that are applied to venues that have been required to close as a result of the Covid-19 pandemic. Restart Grants are automatically awarded to successful applicants for the LRSG and we have now been awarded all the LRSG payments. The total amount received and included in the current financial year is £198,000, with a combined total over the two financial years of £270,000.

12 VAT Rate Change

The Government announced on 8 July 2020 that it intended to legislate to apply a temporary 5% reduced rate of VAT to certain supplies relating to hospitality, hotel and holiday accommodation. The reduced rate was initially introduced to last for a temporary period between 15 July 2020 and 12 January 2021. This period was subsequently extended to 31 March 2021. The Government announced at Budget 2021 that the temporary reduced rate would be extended for a further six-month period at 5% until 30 September 2021, with a new reduced rate of 12.5% to 31 March 2022.

The increased income from the VAT rate change has been included with the venues outturn, with the majority focussed on the campsites and catering outlets, and to date we have benefited by £120,000 from this VAT change.

13 Lee Valley VeloPark Business Rates Appeal

The Authority has received the outcome of the 2010/17 rating appeal for Lee Valley VeloPark. A more favourable valuation was achieved and this yielded a one-off benefit for the Authority of £135,000 in relation to the 2014/15 financial year. Some of this had already been anticipated and accrued to previous years, but the benefit in the 2021/22 accounted for £73,000.

The reduction in Rateable Value from £1.87m to £1.60m also applies to the current rating period of 2017/2023 and will represent further savings in the 2021/22 financial year.

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

OPERATIONS OVERVIEW

15 During the lockdown period officers worked to mitigate impact on the Authority of the reduction in income and to minimise the call on cash reserves at year end. As regulations have eased, and venues were gradually allowed to reopen, we have been reviewing business plans and performance to make sure that our three key guiding principles are being adhered to:

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

It is important that we continue to operate safely, meaning that some programmes are still being adapted and we keep reviewing venue's activities and opening hours as we go. The above Covid-19 guiding principles and our venue operations have been amended to reflect the changes made by the Government and will ensure there is a continued robust approach to venue operations and controlling of expenditure.

CORPORATE SERVICES

16 Legal Service (£26,000 deficit)

There has been £100,000 additional expenditure for external legal support in relation to the Leisure Service Contract, Lee Valley Leisure Trust Ltd litigation (paragraph 26) and other legal matters. This has been balanced by a temporary saving which has been achieved through the voluntary redundancy process and that is reflected in the current year outturn.

17 Property Management (£310,000 surplus)

The Three Mill Studios lease rent review has concluded, resulting in a new rent of £592,500 pa, and a 39.4% increase to the previous rent of £425,000 pa. Whilst an increase had been expected and budgeted for, the agreed new rent is still higher than had been anticipated and has therefore resulted in an additional income of £67,500 against budget in year. Whilst we have also received backdated rent of £209,000, we had already made a provision of £150,000 for the previous two financial years.

A budget of £100,000 was carried forward from 2020/21 into this financial year that related to consultancy fees for The Wave project at Picketts Lock, this was not spent during the year.

Additional rental income, and service efficiencies contributed to the overall surplus in Property Management.

FINANCE AND SUPPORT SERVICES

18 Corporate Insurance (£148,000 surplus)

The Authority budget included the cost of building insurance of the sport venues that was also included as a separate cost within the venues budget. Therefore, additional budget was included that will not be required. Renewal premiums have been received that represent a £148,000 saving against the 2021/22

budget.

Finance & Human Resources (£86,000 deficit)

External legal support for the business rates appeal described in paragraph 13 and the contribution to the costs of supporting the VAT claim in paragraph 8 have incurred additional expenditure.

PARKLANDS AND OPEN SPACES

19 Savings have been achieved across the parklands budgets, including the voluntary redundancy process, additional income generation, and savings across various operational areas of expenditure.

20 Fisheries (£40,000 surplus)

Following a competitive tender process, operation of the remaining in-house fisheries was transferred to a contractor in November. This resulted in a saving this year, with full year savings reflected in the 2022/23 budget.

SPORT & LEISURE

21 Events (£154,000 surplus)

The budget for event income assumed that restrictions could mean that few large-scale events would take place during 2021. We have been able to successfully hold a number of music festivals over the summer at Three Mills and the showground site in River Lee Country Park that have generated significant additional income. However, following events at Three Mills there was a deterioration in ground conditions that we were unable to satisfactorily restore through remediation works. It has been agreed to not use the site for events during 2022 to allow for reinstatement, which will impact the 2022/23 budget.

22 Youth and Schools (£55,000 surplus)

The Youth and Schools service restructure has resulted in savings in employee costs.

23 Small Venues (£37,000 deficit)

Campsites and Golf (£130,000 deficit)

This year's increased demand for staycations, due to restrictions on travel, has benefited campsites across the UK. Dobbs Weir and Sewardstone campsites have seen increased visitor numbers and income. However, the restrictions on travel have affected bookings from European visitors, and restrictions on events and attractions in London have affected bookings from those that want to stay near London for leisure or work. This has had a negative impact on income at Edmonton campsite in particular. Income from caravan sales is shown in the Sewardstone campsite surplus.

Demand for pay and play golf is good and in line with 2019 pre-pandemic levels. However, sales of memberships are down 70% on previous years. Most of these customers have moved to other golf courses because of uncertainty over the future of the golf course due to plans for The Wave development at the Picketts Lock site.

The accommodation and golf area has been through a restructure that identified savings and improvements to service. These savings were included in this year's budget, however the restructure was delayed which has resulted in some overspend on employee costs. The full savings will be realised next year.

Marinas (£100,000 surplus)

The Marinas have achieved savings through a restructure and the voluntary redundancy process, whilst overachieving against their income budgets. This included an increase in commission on boat sales due to a buoyant resale market.

Hayes Hill Farm (£36,000 deficit)

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

24 Sport & Leisure Venues (£1,722,000 deficit)

The budget for the Sports Venues was set in line with the original Leisure Services Contract bid value of £1.557million, which included £550,000 for asset management works, and £100,000 property insurance. However, this was set on the basis of being able to operate the venues at full capacity, without any restrictions. It was recognised in the budget that this was not practical, and a £700,000 income contingency was built in. The budget had also assumed a full year's operation of Lee Valley Ice Centre when set, which changed with the decision to close the venue in July 2021 to enable the construction of the new venue to be completed by November 2022.

The sports venues have successfully operated in line with Government restrictions. Reopening business plans were put in place for each venue ensuring that they generate a positive financial impact, are Covid-19 safe to the highest standard and protect the Authority's reputation. Overall, venues have exceeded the targets within these business plans. However, there is still a £1,722,000 deficit against the budget, and further detailed explanation is given below.

Sales of gift vouchers are at their highest for a number of years, but due to restrictions the number of sessions available for these to be redeemed are limited. All gift voucher expiry dates have been extended for an extra year to give customers a fair opportunity to redeem them. The value of these pre-payments is to be confirmed in line with contract negotiations with GLL, with a current estimate of £150,000 included based on current unredeemed vouchers and redemption rates.

Lee Valley Ice Centre (£498,000 deficit)

The closure of Lee Valley Ice Centre to allow the construction of the new venue has resulted in an overspend of £498,000 against budget, mainly due to loss of income, where the budget had assumed a full year of operation. Costs have been controlled and whilst they remain charged against the venue budget, staff have been redeployed to other venues for the period of closure.

Lee Valley VeloPark (£274,000 deficit)

Lee Valley VeloPark has faced most restrictions on the indoor track, which impacts the biggest income generating areas of the track programme and corporates. As sessions were introduced they sold out, with activities running at 90% - 100% capacity. The Six Day event that was planned for this year was cancelled by the event promoter who has suffered from not being able to hold events during lockdown, which has impacted event income. However, we were able to successfully host rounds 3 and 4 of the UCI Track Champions League in December. Combined with the impact from pre-payments, this has resulted in £274,000 overspend against budget.

Lee Valley White Water Centre (£500,000 deficit)

Demand for the restricted programme at Lee Valley White Water Centre has been good, with strong bookings for rafting sessions and lake activities over the summer season. Rafts were limited to six customers (nine per raft is usual capacity), with three rafts per session (reduced from eight) until restrictions were eased, which limited income for that period. The café initially offered a take away only service and as restrictions lifted the indoor café reopened. Winter restrictions had a further impact on catering income. There have been ongoing issues with pumps that incurred additional expenditure on maintenance, and also additional electricity consumption where normal efficient pump management was not possible. Combined with the impact from pre-payments this has resulted in £500,000 overspend against budget.

Lee Valley Hockey and Tennis Centre (£119,000 surplus)

At Lee Valley Hockey and Tennis Centre the programme recovered well and over achieved income across both tennis and hockey activity. Savings were achieved through a restructure and voluntary redundancy. Due to restrictions we were unable to host the England Hockey Pro League events in the same format as previous years with less matches and no spectators, which reduced income by over £100,000.

Lee Valley Athletics Centre (£104,000 deficit)

Lee Valley Athletics Centre recovered well with most activities back in operation, good demand for athletics events and memberships returning close to pre Covid-19 levels. However, there has been limited opportunity for larger community type bookings for non-sporting events this year, with demand returning strongly for next year.

Lee Valley Riding Centre (£354,000 deficit)

The lesson programme at Lee Valley Riding Centre has suffered from restrictions, with only private lessons available for the early part of the year, with group lessons being reintroduced during the summer. Demand for these is good, but availability of riding instructors has been an issue and is limiting the number of sessions that can be offered. This is the largest area of income generation for the venue, and is the main cause for the overspend.

25 Contingency and Service Reviews

The budget included a £1.2m Covid Recovery Plan provision, split between a redundancy provision of £500,000, and contingency for loss of income and

delivery of service reviews.

The two rounds of Voluntary Redundancies and the various service reviews have identified costs associated with redundancy payments and pension costs of £412,000. These are costs that are not charged directly to operation services and are identified separately.

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

26 Leisure Services Contract - Potential Claims

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

ENVIRONMENTAL IMPLICATIONS

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

EQUALITY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

29 These are dealt with in the body of the report. The overall outturn will leave the general fund balance at £3.9 million at the end of March 2022. The approved level of £3-4million (minimum) was agreed as part of the original 2021/22 budget setting process.

HUMAN RESOURCE IMPLICATIONS

30 The furlough scheme ended on 30 September 2021 with all employees who had been furloughed returning to work.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

32 Spending of the budget is important in achieving the Authority's corporate objectives. The current net spend at the end of this financial year will impact on the Authority's budget in future years and will be incorporated into the Medium Term Financial Recovery Plan as part of the Budget Planning into 2022/23 and beyond.

33 As part of the final accounts process for 2020/21 and 2021/22, the external auditor will carry out further analysis of the Authority as a going concern that will

be for a period up to 12 months beyond the date of signing of the 2021/22 accounts.

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ABBREVIATIONS

NJC	National Joint Council
the Trust	Lee Valley Leisure Trust Ltd (trading as Vibrant Partnerships)
FTT	First Tier Tribunal
CRJS	Coronavirus Job Retention Scheme
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
LRSR	Local Restrictions Support Grants
RPI	Retail Price Index
CPI	Consumer Price Index
HMRC	Her Majesty's Revenue Customs
GLL	Greenwich Leisure Ltd

PREVIOUS COMMITTEE REPORTS

Executive Committee	E/754/22	Q3 Revenue Budget Monitoring 2021/22	24 February 2022
Executive Committee	E/739/21	Q2 Revenue Budget Monitoring 2021/22	21 October 2021
Executive Committee	E/733/21	Q1 Revenue Budget Monitoring 2021/22	22 July 2021
Authority	A/4299/21	Corporate Work Programme 2021/22	29 April 2021
Executive Committee	E/725/21	Annual Report on Treasury Management Activity 2020/21 and Annual Investment Strategy 2021/22	27 May 2021
Authority	A/4292/21	2021/22 Revenue Budget & Levy	21 January 2021
Executive Committee	E/708/21	2021/22 Revenue Budget & Levy	21 January 2021

APPENDIX ATTACHED

Appendix A Details of the financial position of each Authority service or facility

YEAR 2021/22

PERIOD: 12 (March 2022)

	Actual To Date			Annual	Proposed	Variance	
	Income	Expenditure	Net	Net Budget	Net Outturn	£000s	%
OPERATIONAL SERVICES							
Chief Executive	0	567	567	615	606	-9	(1%)
Corporate Services	-1,414	1,245	-169	200	-117	-317	(159%)
Finance and Support Services	-10	2,175	2,165	2,225	2,131	-94	(4%)
Sport and Leisure	-169	914	745	1,026	743	-283	(28%)
Parklands and Open Spaces	-1,105	3,547	2,442	2,660	2,451	-209	(8%)
Small Venues	-4,107	3,403	-704	-714	-677	37	5%
LSC Venues and Support	-5,511	7,881	2,370	914	2,636	1,722	188%
Business Rates Refund (Velopark)	0	-73	-73	0	-73	-73	0%
Job Retention Scheme (Furlough) Grant	0	-508	-508	0	-508	-508	0%
Local Restrictions Support Grants	-198	0	-198	0	-198	-198	0%
	-12,514	19,151	6,637	6,926	6,994	68	1%
FINANCING							
Interest Receivable	-6	0	-6	-20	-6	14	70%
Interest Payable & Bank Charges	0	12	12	56	27	-29	(52%)
Contributions to/from Earmarked Reserves	0	0	0	1,174	1,174	0	0%
Financing of Capital Expenditure	0	0	0	330	330	0	0%
Financing of Revenue Projects	0	0	0	0	0	0	0%
Minimum Revenue Provision	0	0	0	467	467	0	0%
Levies on Local Authorities	-9,768	0	-9,768	-9,768	-9,768	0	0%
General Covid Contingency	0	0	0	700	0	-700	(100%)
Redundancy Contingency	0	412	412	500	412	-88	(18%)
Service Efficiencies/Growth & Savings	0	0	0	-410	0	410	100%
Movement in General Fund				-45	-370	-325	(722%)
General Fund Balance b/f				-3,513	-3,513		
				-3,558	-3,883		
Proposed Budget Carry Forward					0		
Revised General Fund Balance					-3,883		

YEAR 2021/22

PERIOD: 12 (March 2022)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
CHIEF EXECUTIVE							
Chief Executive	0	233	233	258	270	12	5%
PR / Communications	0	334	334	357	336	-21	(6%)
TOTAL CHIEF EXECUTIVE	0	567	567	615	606	-9	(1%)
CORPORATE SERVICES							
Legal Service	-18	437	419	453	479	26	6%
Property Management	-1,396	296	-1,100	-812	-1,122	-310	(38%)
Planning and Strategic Partnerships	0	134	134	138	134	-4	(3%)
Asset Protection, Maintenance & Development	0	271	271	314	285	-29	(9%)
Committee Service	0	107	107	107	107	0	0%
TOTAL CORPORATE SERVICES	-1,414	1,245	-169	200	-117	-317	(159%)
FINANCE AND SUPPORT SERVICES							
Finance and Human Resources	0	716	716	545	627	82	15%
Information Technology	-10	668	658	722	657	-65	(9%)
Corporate Insurances	0	511	511	659	511	-148	(22%)
Audit / Health & Safety	0	160	160	134	163	29	22%
Non Distributed Costs	0	9	9	69	62	-7	(10%)
Corporate Training / Apprenticeships	0	35	35	21	35	14	67%
Project & Funding Delivery	0	76	76	75	76	1	1%
Sport & Leisure Project Consultancy	0	0	0	0	0	0	0%
TOTAL FINANCIAL SERVICES	-10	2,175	2,165	2,225	2,131	-94	(4%)
SPORT AND LEISURE							
Events	-145	123	-22	131	-21	-154	(118%)
Sports Development	0	56	56	84	53	-31	(37%)
Policy and Performance	0	524	524	563	524	-39	(7%)
Youth & Schools Service	-24	184	160	218	163	-55	(25%)
Community Access	0	27	27	30	26	-4	(13%)
TOTAL SPORT AND LEISURE	-169	814	745	1,026	743	-283	(28%)

YEAR 2021/22

PERIOD: 12 (March 2022)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
PARKLANDS AND OPEN SPACES							
Management							
Operational Management	0	196	196	189	196	7	4%
Myddelton House Management	-12	292	280	260	275	15	6%
Parklands							
River Lee Country Park	-18	410	392	409	391	-18	(4%)
Gunpowder Park	-2	82	80	87	83	-4	(5%)
Countryside Areas	-157	1,228	1,071	1,127	1,078	-49	(4%)
Abbey Gardens	-11	85	74	88	74	-14	(16%)
Three Mills	0	-6	-6	27	0	-27	(100%)
East India Dock and Bow Creek	-6	49	43	48	43	-5	(10%)
Broxbourne Riverside	0	16	16	19	16	-3	(16%)
Fisheries	-148	70	-78	-38	-78	-40	(105%)
Visitor Attractions							
Myddelton House	-121	299	178	211	177	-34	(16%)
Rye House Gatehouse	0	5	5	6	5	-1	(17%)
Park Projects							
Volunteers	0	42	42	37	42	5	14%
Biodiversity	0	102	102	102	102	0	0%
Farms							
Lee Valley Farm, Holyfieldhall	-562	661	99	120	100	-20	(17%)
Initiatives and Partnerships							
King George Reservoir South	-14	14	0	3	-1	-4	(133%)
Lee Valley Boat Centre	-41	0	-41	-28	-41	-13	(46%)
Broxbourne Chalets	-13	2	-11	-7	-11	-4	(57%)
TOTAL PARKLAND AND OPEN SPACES	-1,105	3,547	2,442	2,660	2,451	-209	(8%)
Small Venues							
Lee Valley Marina Springfield	-1,005	584	-421	-395	-425	-30	(8%)
Lee Valley Marina Stanstead	-828	745	-83	-25	-95	-70	(280%)
Lee Valley Waterworks Centre	0	61	61	90	61	-29	(32%)
Lee Valley Farm Hayes Hill	-4	39	35	0	36	36	0%
Lee Valley Campsite (Sewardstone)	-963	796	-167	-53	-170	-117	(221%)
Lee Valley Caravan Park (Dobbs Weir)	-859	579	-280	-378	-259	119	31%
Lee Valley Leisure Centre Campsite	-290	436	146	108	152	44	41%
Lee Valley Leisure Centre Golf Course	-109	127	18	-25	35	60	240%
Almost Wild Campsite	-49	36	-13	-36	-12	24	67%
TOTAL SMALL VENUES	-4,107	3,403	-704	-714	-677	37	5%

YEAR 2021/22

PERIOD: 12 (March 2022)

	Actual To Date			Annual Net Budget	Proposed Net Outturn	Variance	
	Income	Expenditure	Net			£000s	%
LSC VENUES AND BUSINESS SUPPORT							
Management and Support							
PR/Communications	0	80	80	50	80	30	60%
Finance & Health/Safety	0	0	0	0	0	0	0%
Information Technology	0	113	113	70	113	43	61%
Human Resources	0	23	23	10	23	13	130%
Performance Management	0	49	49	106	49	-57	(54%)
Venues							
Venues Management	0	293	293	289	293	4	1%
Lee Valley Velopark	-1,536	2,241	705	446	720	274	61%
Lee Valley White Water Centre	-2,049	2,289	240	-137	363	500	365%
Lee Valley Athletics Centre	-457	756	299	149	253	104	70%
Lee Valley Hockey And Tennis Centre	-777	717	-60	83	-36	-119	(143%)
Lee Valley Ice Centre	-63	458	395	-103	395	498	483%
Lee Valley Riding Centre	-629	862	233	-121	233	354	293%
Growth & Contingency	0	0	0	72	0	-72	(100%)
Provision for Unredeemed Vouchers	0	0	0	0	150	150	0%
TOTAL LSC VENUES AND BUSINESS SUPPORT	-5,511	7,881	2,370	914	2,636	1,722	188%
OTHER OPERATIONAL SERVICES COSTS/INCOME							
Budget Growth (Pay Rise)	0	0	0	0	0	0	0%
Redundancy Costs	0	412	412	500	412	-88	(18%)
Job Retention Scheme (Furlough) Claim	0	-508	-508	0	-508	-508	0%
Local Restrictions Support Grants	-198	0	-198	0	-198	-198	0%
Business Rates Refund (Velopark)	0	-73	-73	0	-73	-73	0%
s106 Expenditure/Income	-15	14	-1	0	0	0	0%
TOTAL OPERATIONAL SERVICES	-12,529	19,577	7,048	7,426	7,406	-20	(0%)