

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

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

THURSDAY, 20 JUNE 2019 AT 12.00noon

at which the following business will be transacted:

AGENDA

Part I

- 1 To receive apologies for absence
- 2 **DECLARATION OF INTERESTS**

Members are asked to consider whether or not they have disclosable pecuniary, other pecuniary or non-pecuniary interests in any item on this Agenda. Other pecuniary and non-pecuniary interests are a matter of judgement for each Member. (Declarations may also be made during the meeting if necessary.)

- 3 **MINUTES OF LAST MEETING**

To approve the Minutes of the meeting held on 23 May 2019 (copy herewith)

- 4 **PUBLIC SPEAKING**

To receive any representations from members of the public or representative of an organisation on an issue which is on the agenda of the meeting. Subject to the Chairman's discretion a total of 20 minutes will be allowed for public speaking and the presentation of petitions at each meeting.

- 5 **LEISURE SERVICES CONTRACT MONITORING** Paper E/626/19
REPORT – Q4 2018/19

Presented by Simon Sheldon, Director of Finance & Resources

- 6 Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency by reason of special circumstances to warrant consideration.
- 7 Consider passing a resolution based on the principles of Section 100A(4) of the Local Government Act 1972, excluding the public and press from the meeting for the items of business listed on Part II of the Agenda, on the grounds that they involve the likely disclosure of exempt information as defined in those sections of Part I of Schedule 12A of the Act specified beneath each item.

AGENDA
Part II
(Exempt Items)

- 8 FUTURE DEVELOPMENT AT LEE VALLEY LEISURE COMPLEX, PICKETTS LOCK Paper E/627/19

Presented by Beryl Foster, Director of Corporate Services

[Not for publication following the principles of the Local Government Act 1972, Schedule 12A, Part I, Section 3]

- 9 Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency by reason of special circumstances to warrant consideration.

12 June 2019

Shaun Dawson
Chief Executive

LEE VALLEY REGIONAL PARK AUTHORITY

EXECUTIVE COMMITTEE

23 MAY 2019

Members Present: Paul Osborn (Chairman) Heather Johnson
Derrick Ashley (Vice Chairman) Chris Kennedy
Ross Houston Syd Stavrou

Apologies Received From: David Andrews, Valerie Metcalfe

In Attendance: John Bevan

Officers Present: Shaun Dawson - Chief Executive
Beryl Foster - Director of Corporate Services
Simon Sheldon - Director of Finance & Resources
Victoria Yates - HR Strategic Business Manager
Jon Carney - Head of Parklands
Marigold Wilberforce - Property Manager
Nick Powell - Property Surveyor
Sandra Bertschin - Committee & Members' Services Manager

Part I

753 DECLARATIONS OF INTEREST

There were no declarations of interest.

754 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 25 April 2019 be approved and signed.

755 PUBLIC SPEAKING

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

756 CAPITAL PROGRAMME: PROVISIONAL OUTTURN 2018/19 Paper E/623/19

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

(1) the report was noted.

757 Q4 REVENUE BUDGET MONITORING 2018/19 Paper E/624/19
PROVISIONAL OUTTURN

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

(1) a carry forward of £10,000 as described in paragraph 18 of Paper E/624/19 was approved; and

(2) the report was noted.

758 ANNUAL REPORT ON TREASURY MANAGEMENT ACTIVITY 2018/19 AND ANNUAL INVESTMENT STRATEGY 2019/20 Paper E/625/19

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

Members endorsed the need for review of the Treasury Management policy given interest rates, forthcoming major projects and long term venue maintenance costs.

- (1) treasury management activity during 2018/19 was noted;
- (2) the Annual Investment Strategy set out in Appendix A to Paper E/625/19;
- (3) a target rate of return of 1.00% on investments in 2019/20, as detailed in paragraph 20 of Paper E/625/19; and
- (4) that the Levy Strategy Working Group review the existing Treasury Management policy was approved.

759 SICKNESS ABSENCE MONITORING – 2018/19 Paper E/621/19

The report was introduced by the HR Strategic Business Manager.

Members commended staff on the low level of sickness absence.

- (1) the contents of Paper E/621/19 was noted; and
- (2) a 2019/20 sickness absence target of 3 days per Full Time Equivalent was approved.

760 EXTENSION OF AUTHORITY MEMBERSHIP

It was agreed to grant a 4 month extension of Authority membership to Christine Hamilton.

761 EXEMPT ITEMS

THAT based on the principles of Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the items of business below on the grounds that they involve the likely disclosure of exempt information again on the principles as defined in those sections of Part I of Schedule 12A of the Act indicated:

Agenda Item No	Subject	Exempt Information Section Number
11	Proposed Grant of a 20 Year Lease to ESSA, Central Lagoon, Meadgate Road, Nazeing	3

762 PROPOSED GRANT OF A 20 YEAR LEASE TO ESSA, CENTRAL LAGOON, MEADGATE ROAD, NAZEING Paper E/622/19

The report was introduced by the Director of Corporate Services.

Members requested that the lease include that the lessee must remain a charitable organisation registered with the Charities Commission.

- (1) the grant of a new 20 year lease to ESSA Water Activities Centre of the land and water shown on the plan attached as Appendix A to Paper E/622/19 on the terms set out in paper E/622/19 and that the lessee must be a charitable organisation registered with the Charities Commission;**
- (2) an application be submitted under S21 of the Lee Valley Regional Park Act 1966 to the Secretary of State for consent to the disposal of an interest in land; and**
- (3) the signing and sealing of all necessary legal documentation was approved.**

763 OTHER BUSINESS

A Member commended the Senior Gardener for a recent guided tour of Myddelton House Gardens and the volunteers who managed the walk at Tottenham Marshes on 18 May 2019.

Chairman

Date

The meeting started at 10.42am and ended at 11.06am.

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**LEISURE SERVICES CONTRACT
MONITORING REPORT – Q4 2018/19**

Presented by the Director of Finance & Resources

EXECUTIVE SUMMARY

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

The scorecard provides an overview of performance across all facilities within Lee Valley Leisure Trust Ltd; analysing all operational venues with their related performance indicators. Appendix A to this report contains Lee Valley Leisure Trust Ltd's report and scorecard for Q4 2018/19 – reporting actual performance from April 2018 to March 2019.

A summary of the key achievements (reported by Lee Valley Leisure Trust Ltd, see Appendix A to this report) against the Key Performance Indicators (KPIs) following the fourth quarter of 2018/19:

- A reported shortfall of £514,000 against the Trusts operational budget.
- A high level of customer satisfaction has been maintained across the venues (86%), which is above last year's score (85%) and the overall UK customer satisfaction index (UKCSI) of 78% and the individual scores for the UK leisure (80%) and tourism (81%) sectors.
- The net promoter score (NPS) gives an indication of the relationship that customers have with the venues, asking customers how likely they would be to recommend the venue they visited to friends or colleagues. The score can range from -100% to +100%, with a leisure industry average of 24%. Across all venues the average score for 2018/19 was 50% - up from 46% in 2017/18 and this falls within the KPI target of 45%-55%.
- 28% of all visits were calculated as regional. This percentage is slightly behind last year but as overall usage has increased (as described below) this equates to an

estimated 788,000 regional visits compared to 780,000 last year.

- There were 2,813,000 visits to the venues – a 7% increase from the same period last year. The main reasons include an increase in usage at Lee Valley Hockey & Tennis Centre due to the Women's Hockey World Cup which attracted over 120,000 visits and an increase at Lee Valley VeloPark due to hosting the UCI Track Cycling World Cup in December. This in part has been offset by fewer visits at Lee Valley Riding Centre because of reduced programmed activities and Lee Valley Park Farm, impacted by the poor Easter weather, and during the very hot weather a lack of cover from the sun made the venue a less attractive offer for families than other activities.

Visit England's latest findings show that both the attractions and accommodation markets had a bad start to the year, but recovered during the summer. When asked about the summer heatwave a third of accommodation businesses said that the warm summer wasn't enough to balance the poor start to the year, and over a quarter of attractions reported that visitor numbers decreased due to the heatwave.

RECOMMENDATION

Members Note: (1) the report.

BACKGROUND

- 1 As part of the Leisure Services Contract (LSC) between the Authority and Lee Valley Leisure Trust Ltd (the Trust) it was agreed that a range of (Key Performance Indicators (KPIs) should be used for the Authority to monitor the Trust's performance and that this should act as a method by which the Authority can ensure that the broad standards within the contract are achieved.
- 2 Commencing on 1 April 2015, the LSC included KPIs based on the KPIs originally set and agreed by the Scrutiny Committee as part of the balanced scorecard which provided an overview of performance across the Authority. It was agreed that officers from the Trust would provide an update of the KPIs to the Authority to report to the Executive Committee on a quarterly basis.
- 3 The KPI and venue scorecard attached to the Trust report contains data for Q4 from April 2018 to March 2019.

FINANCIAL IMPLICATIONS

- 4 Performance across the venues is set out in the Trust's report at Appendix A to this report. As a result of the very wet start to the year and the extreme heat during the summer, the decline in rafting and track taster experience and voucher sales, the current year end projection is showing a shortfall against the the Trusts operational budgets of £514,000.

Clause 14 events for 2018/19 were agreed by both organisations and approved by Members in March (Paper E/613/19) allowing for an additional fee of £105,800 in relation to the impact on the Beach & Play Park, the crane at Stanstead and the delay in the lodges at Dobbs Weir. This sum has been added to the 2019/20 management fee.

Clause 14 events for 2017/18 in relation to the closure of Lee Valley Ice Centre and approved by Members in September (Paper E/576/18) allowed for an

additional fee of £176,962 which was paid as part of the 2018/19 Management Fee.

The adjustment to the Management Fee for the ending of secondment arrangements had no impact on the variation reported as the reduction in fee was matched by an equivalent reduction in costs which were borne by the Authority.

- 5 The performance report confirms that expenditure variations will be covered from the Trust's accumulated reserves.

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

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

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

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

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

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

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

The Lee Valley Ice Centre refurbishment did fall under Clause 14.1.1(b) in the case that the loss of income and increased costs, resulting from the refurbishment works, could not be accommodated on a temporary basis within the currently approved Management Fee.

EQUALITY IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

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

Author: Simon Sheldon, 01992 709 859, ssheldon@leevalleypark.org.uk


APPENDIX ATTACHED

Appendix A Trust Report and Key Performance Indicators Q4 2018/19

LIST OF ABBREVIATIONS

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

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 <p>VIBRANT PARTNERSHIPS</p> <p>BOARD MEETING</p> <p>24 JUNE 2019</p>	<p><u>Agenda Item No:</u> 4b</p> <p><u>Report No:</u> B/117/19</p>
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LVRPA CONTRACT - 2018/19 Q4 PERFORMANCE REPORT

Presentation by the Director of Business Services

SUMMARY

This report presents the full year performance for 2018/19 across the 14 venues the Trust manages on behalf of the Lee Valley Regional Park Authority (LVRPA).

2018/19 has been a challenging year, particularly with the very wet and cold start and the very wet spells during the summer. The year end position is a shortfall against the budget of £514,000, funded from Trust reserves, with the main variances due to:

- No Beach and Play Park event at the Lee Valley White Water Centre due to the ground conditions in area 4;
- The broken crane impacting rechargeable works at Stanstead Marina. A new crane has been purchased and has been operational since November;
- Delay in the installation of the luxury lodges at Dobbs Weir and the late delivery of holiday homes;
- Relaying of the hockey pitches resulting in lost income at Lee Valley Hockey and Tennis Centre;
- Decline in rafting sales at Lee Valley White Water Centre;
- Decline in sales of track taster sessions and vouchers at Lee Valley VeloPark;
- Early release of Cycle Surgery from the retail pod at the VeloPark;
- Loss of rental income from the CrossFit operators and delay in UKA renting the East Wing at Lee Valley Athletics Centre;
- Poor Easter weather and 7 days of closures at Lee Valley Park Farms due to mains water issues in the surrounding area; and
- Shortage of qualified riding instructors at Lee Valley Riding Centre impacting on the programme that can be delivered. Work is underway to create a pipeline of future instructors by working with colleges.

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

- The Vitality Women's Hockey World Cup was held from 21 July to 5 August 2018 at the Lee Valley Hockey and Tennis Centre, attracting over 120,000 visits.
- The Lee Valley VeloPark hosted the TISSOT UCI Track Cycling World Cup series between 14-16 December. The event was delivered successfully, with 17,000

<p>spectators and great feedback from customers via social media.</p> <ul style="list-style-type: none"> • The Lee Valley White Water Centre Christmas event ran from 1st December to 6th January, hosting an ice rink with skating and curling, funfair, a Christmas market weekend and Santa’s grotto delivered by Lee Valley Park Farms. It was delivered successfully with 36,000 visitors attending. • Over 3,500 visitors attended Lee Valley White Water Centre’s Summer Splash family fun event. • Lee Valley VeloPark ran events and promotions during national Bike week including a successful first Bikes and Bakes event. • The Great British Tennis Weekend event returned to Lee Valley Hockey and Tennis Centre, running a number of different sessions for visitors to participate in. • We gained national media coverage for our April Fool’s Day ‘Great White’ Water Rafting Experience to kick off its spring/summer rafting campaign. • The WaterWorks centre hosted a temporary campsite for the third year running as part of the Shell eco-marathon event on Queen Elizabeth Olympic Park that attracted 3,000 students from across Europe. <p>There were 2,813,000 visits to the venues – a 7% increase from the same period last year. Customer satisfaction across the venues has increased from 85% to 86%, which is above the overall UK customer satisfaction index (UKCSI) of 78% and the individual scores for the UK leisure (80%) and tourism (81%) sectors.</p>

RECOMMENDATIONS		
Trustees note:	(1)	the report.

BACKGROUND

1	Performance of the Lee Valley Regional Park Authority venues has been reported quarterly to its Scrutiny Committee since 2010.
2	This report was based on the Authority’s performance framework, which included key performance indicators (KPIs) and a venue scorecard.
3	As part of the Lee Valley Leisure Services Contract, performance of the LVRPA venues managed by the LVLT is to be reported quarterly to Authority Members.
4	The scorecard in Appendix A to this report contains data for the full year of 2018/19 (April 2018 – March 2019). The following paragraphs summarise the key messages from the data.

LV LEISURE SERVICES CONTRACT KEY PERFORMANCE INDICATORS (KPIs)

6	<p>KPI 1: Management Fee</p> <p>The management fee set for 2018/19 was £2.3 million, a reduction from the 2017/18 fee of £2.8m and the 2016/17 fee of £3.2m. As a result of the termination of the secondment agreement between the Authority and Trust there was a management fee adjustment during 2018 of £110,000. The year end position is a shortfall of £514,000 against budget which will be funded from Trust Reserves. The main variances are detailed below.</p>
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7 The key headlines for the venues are set out below:

Lee Valley VeloPark

- The majority of income is derived from track taster experiences and vouchers; corporate hires; and events.
- A decline in demand for track taster experiences and vouchers has been seen, following a similar pattern to Glasgow and Derby velodromes.
- Less vouchers having been carried forward as pre-payments from 2017/18 as more customers are redeeming vouchers closer to their purchase.
- Marketing campaigns were put in place to generate sales of vouchers and corporate hires from the interest created by the Track World Cup in December, however this didn't recover the budget deficit.
- Cycle Surgery were released from their agreement early with rent reduction – provided the Authority agree the assignment of the rooms back to Vibrant this shortfall will be partially covered for 2018/19 by securing a rental from Bikeworks and hire of retail unit to Six Day during their event. Work is underway with third parties to look at recovering the remainder of this. This has been partially mitigated by growth in VeloStudio and 'pedal up' income along with some one-off savings through staff vacancies.

Lee Valley Hockey and Tennis Centre

- The hockey pitches were relayed which resulted in lost income.
- Catering income has increased due to better than expected visitor numbers to the Women's Hockey World Cup and increased sales of corporate packages by England Hockey partners. This offset the negative impact of the England Hockey fanzone on spectator spend per head.

Lee Valley White Water Centre

- Following the decision by the Authority to rest Area 4 during 2018/19 the Beach and Play Park could not go ahead in its proposed format. To mitigate the impact on budget and continue to offer family activities, water based inflatables, beach sports and use of some inflatables in other areas have been introduced.
- There has been a decline in demand for rafting experiences and vouchers.
- Marketing campaigns have been planned to generate sales of vouchers and corporate hires and a review of the business is underway to better understand the reasons for the decline.
- Catering is performing well following the kitchen extension however as rafting experience sales are down and the Beach and Play Park didn't go ahead there is has been a shortfall in budget.

Lee Valley Athletics Centre

- There is a continuing focus on the non-athletics areas to generate extra income, particularly cultural and social events, as well as the venue's first boxing events successfully held during the year.
- We have filled the vacated CrossFit box with a new fitness product in partnership with Challenge Central. This has been successfully launched with membership numbers increasing.
- The new coffee shop opened during October and contributed to the improved bottom line. This has offset lost income due to the CrossFit operators ending their lease, UKA's rental of the East Wing being delayed and stretch targets not being

achieved for the holiday programme.

Lee Valley Ice Centre

- Following the closure of LVIC due to the refurbishment works the majority of income streams have been re-established with the exception of public skating that has taken longer to recover.
- Public skating income has been further impacted by the re-opening of Romford Ice Rink, and their ice hockey club has returned impacting hire income.
- The retail unit was vacant during 2018, a new occupant has been in place from January.
- The spend per head for catering has fallen, this area is under review to improve performance.

Some efficiencies have been made through reductions in casual staffing, along with a small saving following the retirement of the Venue Manager.

Lee Valley Riding Centre

- There is ongoing difficulty with recruiting qualified riding instructors, which is being felt across the industry. Due to maternity leave and being unable to fill vacancies there has been a reduction in instruction time of 40 hours per week, reducing the activity programme that can be offered. The programme is constantly being reviewed to ensure courses are filled and that the focus is on more profitable instruction, but this has had a significant impact on income.
- The number of working pupils has been increased, and we have been working with educational establishments offering equine courses to improve the pipeline of future instructors. A working pupil has successfully passed exams and is now working as a riding instructor, which has improved the situation.
- Costs have been reviewed; however, most are fixed due to the requirement to care for the horses. A small ongoing saving has been made due to a restructure following the departure of the Venue Manager.

Due to land management, lack of space and conflict with ponies there is no other feasible activity to generate additional income without qualified instructors.

Lee Valley Golf Course

- The new structure introduced last year is having a positive impact with cost savings from new rotas.
- The Trust is working in partnership with the Authority to assess the impact of the development of the Picketts Lock site on this venue.

Lee Valley Camping and Caravan Park, Edmonton

- Income targets for camping have not been achieved with touring visitor numbers falling, in line with the findings from Visit England's research into the accommodation market.
- The new staffing structure introduced last year is having a positive impact, with the introduction of new rotas to cut back on costs as well as improvements to the glamping cocoons and subsequent promotions.
- All income streams are being reviewed with new retail lines already in place, and staff costs continue to be reviewed.
- The Trust is working in partnership with the Authority to assess the impact of the development of the Picketts Lock site on this venue.

	<p>Lee Valley Caravan Park, Dobbs Weir</p> <ul style="list-style-type: none"> • The installation of the luxury lodges has been delayed and will now not have a positive impact on the budget until 2019/20. • There were also delays on the delivery of 14 holiday homes which has had a negative impact on rents. <p>Lee Valley Park Farms</p> <ul style="list-style-type: none"> • The Farm improved its year end position compared to last year, which is below this year's budget. The poor weather at Easter had a negative impact on the start of the season. • The Farm has been forced to close for 7 days during the 2018 season due to issues with the water mains in the surrounding area, affecting income. • The animal stock holding strategy is being reviewed to manage expenditure as the majority of costs are fixed based on the number of animals (feed, staffing veterinary bills etc). <p>Lee Valley Marina, Springfield</p> <ul style="list-style-type: none"> • Lee Valley Marina, Springfield achieved an increase in income as boat values have increased leading to a rise in commission. • There has been significant continued growth in income from rechargeable works since the management restructure of the Marinas in 2018. • The new chandlery opened in January and is expected to drive further growth. <p>Lee Valley Marina, Stanstead Abbots</p> <ul style="list-style-type: none"> • As reported previously, the old crane at Stanstead was beyond repair. A crane was hired to continue offering services, however this has incurred additional expenditure, and loss of income where some services aren't currently available. The Authority have agreed to fund the replacement of the crane and although it has taken longer than hoped to source a suitable replacement a replacement has been purchased and has been operational since November.
<p>8</p>	<p>KPI 2: Customer Satisfaction</p> <p>Throughout the year our research agency has been undertaking interviews with customers at venues. Feedback has been good and generally improved from with last year.</p> <p>Across all venues the average customer satisfaction score is 86%. This has increased from 85% last year and is above target. This is above the overall UK customer satisfaction index (UKCSI) of 78% and the individual scores for the UK leisure (80%) and tourism (81%) sectors.</p>
<p>9</p>	<p>KPI 3: Net Promoter Score</p> <p>The net promoter score gives an indication of the relationship that customers have with our venues, with a higher score potentially indicating positive future business through repeat visits and recommendations. It is generated by asking customers how likely they would be to recommend the venue they visited to friends or colleagues. This categorises customers into 'promoters', 'neutrals' and 'detractors'. The score can range from 100% to -100%, with a leisure industry average of 24%.</p> <p>Across all venues the average net promoter score is 50%. This has increased from 46%</p>

	<p>last year and is within the target range.</p> <p>Scores at Edmonton Campsite, Lee Valley Golf Course, Springfield Marina and Stanstead Marina are all outside of the target range, but are close to the leisure industry average and are generally showing a positive trend.</p>
10	<p>KPI 4: Regionality</p> <p>The regionality of the venues is measured by capturing postcodes across bookings, memberships and surveys. Throughout the year 788,000 of all visits were defined as regional – where the visitor lives within the London, Hertfordshire and Essex region, but lives outside of the riparian boroughs whose boundaries cross into the Lee Valley Regional Park. This equates to 28% which is slightly behind last year (29%) but due to increased usage (described below) this equates to 788,000 visits, which is an increase from 780,000 last year.</p>
11	<p>KPI 5: Usage</p> <p>There were 2,813,000 visits to the venues – a 7% increase from the same period last year and above the target of 2.7m.</p> <p>Usage has increased at Lee Valley VeloPark, boosted by hosting the UCI Track Cycling World Cup in December.</p> <p>The Hockey Women’s World Cup at Lee Valley Hockey and Tennis Centre attracted over 120,000 visits.</p> <p>Visits at Lee Valley Riding Centre have decreased from last year due to the reduced programme of activities. This is due to the issues with recruiting riding instructors and reduction in instruction time of 40 hours per week, as detailed earlier in the report.</p> <p>Visits to all three campsites have fallen, which is in line with the findings from Visit England’s research into the accommodation market. This has impacted the touring market, glamping products have generally seen increases in visitors during the year.</p> <p>Visits to the Farms have fallen from last year, impacted by the poor Easter weather, and during the very hot weather a lack of cover from the sun made the venue a less attractive offer for families than other activities.</p> <p>Visit England’s latest findings show that both the attractions and accommodation markets had a bad start to the year, but recovered during the summer. When asked about the summer heatwave a third of accommodation businesses said that it wasn’t enough to balance the poor start to the year, and over a quarter of attractions reported that visitor numbers decreased due to the heatwave.</p>

OTHER VENUE PERFORMANCE

12	<p>Compliments and Complaints</p> <p>There has been an increase in compliments and complaints compared to last year, with both increasing by 6% maintaining a similar ratio.</p>
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	Lee Valley Hockey & Tennis Centre received a significant increase in both positive and negative feedback related to the Women's Hockey World Cup, in line with the increased visitor numbers.
13	<p>Health and Safety Audit</p> <p>Audit scores across the venues averaged 86%, slightly down on last year's score of 88% but exceeding the target of 85%.</p> <p>Scores at the Ice Centre and WaterWorks fell slightly below the target – as part of the new regional structure additional health and safety expertise is now supporting these venues to improve.</p> <p>At Picketts Lock the scores for Edmonton Campsite and Lee Valley Golf Course fell below the target. This has been impacted by the work undertaken as part of the development of the Picketts Lock site.</p>
14	<p>Quality Score</p> <p>Quality scores across the venues averaged 82%, an improvement on last year's score of 79% and exceeding the target of 80%.</p> <p>Scores at Lee Valley park Farms, Edmonton Campsite, Lee Valley Golf Course and the WaterWorks fell below the target. The newly appointed Quality Officer is working closely with these venues to improve the areas where they require improvement.</p>
15	<p>Utility Consumption</p> <p>Utility consumption has decreased by 5% compared with last year. This is mainly due to reduced use of the pumps at Lee Valley White Water Centre and the increased efficiency of the plant at Lee Valley Ice Centre. This is following the installation of a new cooling system and the servicing and re-commission of the existing chillers during the closure last summer.</p>

ENVIRONMENTAL IMPLICATIONS

16	Increased visits and activity across venues increases utility consumption. Consumption has decreased so far this year, but this can be expected to increase in the future if visits and activity continue to increase.
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EQUALITY IMPLICATIONS

17	The impact of attracting a wider audience to venues is that visitors from across all groups are more likely to visit.
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FINANCIAL IMPLICATIONS

18	The report explains the financial performance to date of the venues. Any projected budget variance at year end (excluding clause 14) will be managed by the Trust.
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HUMAN RESOURCE IMPLICATIONS

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

20	There are no legal implications arising directly out of the recommendations in this report.
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RISK MANAGEMENT IMPLICATIONS

21	Management of the budget is important in achieving the Trust’s corporate objectives and ensuring it does not spend outside of the agreed management fee. Venue and Section Managers closely monitor their budgets and Senior Leadership Team receive regular monthly updates and detailed breakdowns of budgets more regularly if there are issues identified. The year-end position for 2018/19 will be taken into account in setting the Trust’s budget in future years and will be incorporated into future resource planning.
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AUTHORITY IMPLICATIONS

22	The Authority implications arising out of this report are in relation to Clause 14 management fee adjustments that were submitted and agreed during the year. Any future Clause 14 claims will be submitted to the Authority following an agreed process, with updates included in reports to the Board
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Author: Michael Sterry, Performance & Information Manager

PREVIOUS TRUST BOARD REPORTS

TRUST BOARD	REPORT NO.	REPORT NAME	DATE
Board	Item 4	LVRPA Contract 2015/16 Q2 Performance	16-11-15
Board	B/4/16	Leisure Services Contract Performance Q3	9-2-16
Board	B/7/16	LVRPA Contract - 2015/16 Provisional Outturn	9-5-16
Board	B/16/16	LVRPA Contract -2015/16 Provisional Outturn	6-6-16
Board	B/29/17	LVRPA Contract – 2016/17 Q3 Performance	17-1-17
Circulated	B/43/17	LVRPA Contract – 2016/17 Q4 Performance	June 17
Board	B/48/17	LVRPA Contract – 2017/18 Q1 Performance	28-9-17
Board	B/56/17	LVRPA Contract – 2017/18 Q2 Performance	06-11-17
Board	B/65/18	LVRPA Contract – 2017/18 Q3 Performance	30-1-18
Board	B/70/18	LVRPA Contract – 2017/18 Q4 Performance	11-6-18
Board	B/86/18	LVRPA Contract – 2018/19 Q1 Performance	19-9-18
Board	B/96/18	LVRPA Contract – 2018/19 Q2 Performance	13-11-18
Board	B/103/19	LVRPA Contract – 2018/19 Q3 Performance	29-1-19

APPENDICES ATTACHED

Appendix A	Trust KPI and Venue Scorecard

LIST OF ABBREVIATIONS

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

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Reporting Period		2018/19 Q4			
Key Performance Indicators	17/18 Q4 Actual	Annual Target	Performance	Q4 Actual	Comments
	Management Fee	£2.8m	£2.3m	↑	£2.2m
Customer satisfaction	85%	80-85%	↑	86%	
Net promoter Score	46%	45-55%	↑	50%	
Regionality (non-riparian)	29%	30% (780,000)	↑	28% (788,000)	
Usage	2,631,739	2.5-2.7m	↑	2,812,949	

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

Performance against target	
Green	Achieving or exceeding target
Yellow	Just missed target
Red	Below target

N/A

Financial Measure
Customer Measure
Internal Process Measure
Sustainability Measure

Reporting Period		2018/19 Q4																							
Venues	Income (£000's)		Usage		Customer Satisfaction		Net Promoter Score		Regionality		Formal Complaints		Formal Compliments		H&S Audit		Quality Score		Utility Consumption (000 kwh)		Asset Protection				
	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19	
	15,485	15,485	2,631,739	2,631,739	80-85%	40-50%	31%	685	685	5022	85%	80%	11,973	11,973											
Overall Target																									
Lee Valley VeloPark	3,309	3,038	846,924	962,245	91%	78%	43%	228	223	1589	96%	96%	1,834	1,834											
Lee Valley Hockey & Tennis Centre	940	1,076	112,181	176,263	85%	65%	27%	44	122	479	94%	88%	1,090	1,090											
Lee Valley White Water Centre	3,889	3,610	685,758	704,701	88%	70%	37%	231	176	1420	97%	93%	4,485	4,485											
Lee Valley Athletics Centre	751	847	216,578	225,646	87%	62%	38%	43	46	622	92%	88%	517	517											
Lee Valley Ice Centre	1,108	1,220	275,084	278,038	84%	58%	39%	30	14	193	92%	77%	1,917	1,917											
Lee Valley Riding Centre	1,098	993	170,595	120,101	86%	55%	31%	12	46	143	93%	74%	252	252											
Lee Valley WaterWorks Centre	207	165	85,873	100,343				0	0	0	69%	67%	188	188											
Lee Valley Golf Course	188	189	16,782	16,260	83%	7%	24%	0	5	19	88%	72%	126	126											
Lee Valley Camping & Caravan Park, Edmonton	519	506	40,012	39,757	83%	16%	12%	6	20	60	83%	72%	646	646											
Lee Valley Campsite, Sewardstone	422	432	27,871	22,886	87%	50%	14%	5	4	68	94%	77%	115	115											
Lee Valley Caravan Park, Dobbs Weir	540	506	22,256	18,009	87%	56%	36%	3	1	17	94%	70%	55	55											
Lee Valley Park Farms	709	658	132,025	128,908	86%	45%	31%	75	57	350	84%	65%	124	124											
Lee Valley Marina, Springfield	943	1,002			75%	5%	18%	6	8	15	87%	53%	374	374											
Lee Valley Marina, Stanstead	862	836			88%	42%	28%	2	2	47	95%	85%	250	250											
ALL VENUES	15,485	16,269	2,631,739	2,615,949	85%	46%	28%	686	724	6,022	86%	79%	11,973	11,973											

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

Financial Measure	Green
Customer Measure	Yellow
Internal Process Measure	Red
Sustainability Measure	Grey