Lee Valley
Regional Park Authority

Lee Valley Regional Park Authority
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To: Paul Osborn (Chairman)
David Andrews
Derrick Ashley
John Bevan
Stephen Carr
Malcolm Cowan
Gwyneth Deakins
Nick Draper
Zuber Gulamussen
Christine Hamilton
Linda Haysey
Ross Houston
Heather Johnson
Denise Jones
Christopher Kennedy
John Knapman
Gerry Lyons
Graham McAndrew
Sarah McDermott
Valerie Metcalfe
Gordon Nicholson
Mary Sartin
Alan Searing
Alan Smith
Syd Stavrou
Kay Twitchen
Simon Walsh
Lyn White
Debbie Jones (EA)
Tav Kazmi (C&RT)

A meeting of the **AUTHORITY** (Quorum - 7) will be held in the **BOARDROOM at MYDDELTON HOUSE** on:

THURSDAY 19 JANUARY 2017 AT 14:00

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 20 October 2016 (copy herewith).

4 PUBLIC SPEAKING

To receive any representations from members of the public or representative of an organisation which concerns any area of the Authority's business.

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	2017/18 REVENUE BUDGET AND LEVY	Paper A/4236/17

Presented by Simon Sheldon, Director of Finance & Resources

6	SS ROBIN AT EAST INDIA DOCK BASIN	To Follow

Presentation by Eric Reynolds, Founding Director, Urban Space Management

7	NATIONAL SCHEME FOR AUDITOR APPOINTMENTS	Paper A/4235/17

Presented by Simon Sheldon, Director of Finance & Resources

8	CORPORATE LAND & PROPERTY STRATEGY	Paper A/4237/17

Presented by Beryl Foster, Director of Corporate Services

9 DATE OF NEXT MEETING OF THE AUTHORITY

To note that the next meeting of the Authority will be held on Thursday 27 April 2017 at 2.00 pm at Myddelton House.

10 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.

11 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 1 of Schedule 12A of the Act as are listed on the Agenda. (There are no items currently listed for consideration in Part II.)

Shaun Dawson
Chief Executive

11 January 2017

LEE VALLEY REGIONAL PARK AUTHORITY

AUTHORITY MEETING
20 OCTOBER 2016

Members Present: Paul Osborn (Chairman), David Andrews, Derrick Ashley, John Bevan, Malcolm Cowan, Gwyneth Deakins, Nick Draper (Deputy for Alan Smith), Christine Hamilton, Linda Haysey, Ross Houston, Heather Johnson, Denise Jones, Christopher Kennedy, John Knapman, Gerry Lyons, Graham McAndrew, Gordon Nicholson, Mary Sartin, Alan Searing, Syd Stavrou, Simon Walsh

Apologies Received From: Stephen Carr, Zuber Gulamussen, Sarah McDermott, Valerie Metcalfe, Alan Smith, Kay Twitchen, Lyn White

Officers Present:

Officers Present:	Shaun Dawson	- Chief Executive
	Beryl Foster	- Director of Corporate Services
	Simon Sheldon	- Director of Finance & Resources
	Sandra Bertschin	- Committee & Members' Services Manager
	Lindsey Johnson	- Committee Services Officer

Part I

10 DECLARATIONS OF INTEREST

Name	Agenda Item No.	Nature of Interest	*Prejudicial*
Paul Osborn & Derrick Ashley	*7*	*Chairman and Vice Chairman of the Authority*	✓ ✓
John Bevan	*6*	*Member of Lee Valley Leisure Trust*	*Non-Pecuniary*
Nick Draper	*-*	*Member of Wandle Valley Regional Park*	*Non-Pecuniary*

11 MINUTES OF LAST MEETING

THAT the minutes of the meeting held on 7 July 2016 be approved and signed.

12 PUBLIC SPEAKING

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

13 AUTHORITY 6 MONTH WORK PROGRAMME UPDATE Paper A/4234/16

The report was introduced by the Chief Executive, where he gave Members the following updates:

- At Picketts Lock officers have revisited commercial interest in the site and a report will be brought to the Executive Committee in November. He and the Chairman will be meeting the Chief Executive and Cabinet Member at London Borough of Enfield to discuss our aspirations for the site to see if it ties in with their ambitions for the site.
- We will be shortly appointing a consultant for the Ice Centre Project. We've had to pause briefly in this to respond to a complaint from an unsuccessful tenderer.
- We will be looking to tender the Leisure Services Contact in 2 ½ years' time, so are starting to look at the contract. A Member working group will be created in the Spring of next year to start this work.
- An officer and Trust working group are looking at options for the Eton Manor site, such as more tennis courts, an England Hockey investment, and visitor accommodation.
- A Member working group is to be created to help come up with plans and activities for the Authority's 50th anniversary.

A Member commented that he was disappointed that there was not more in the report regarding Canal & River Trust and how we might work with them to improve the tow paths and rivers. The Chairman responded that he was keen to push this forward, there were a number of issues which needed to be dealt with and once their implementation of the Mooring Strategy was completed in 2018 we would be in a greater position to feed into their strategy.

Members commented that the Lee Valley Leisure Trust are doing a good job at the moment with the Leisure Services Contract and that currently we receive £70,000 in shared service savings. The Chairman responded, stating that the Lee Valley Leisure Trust would be doing a presentation to the Executive Committee in November regarding their plans for the future and that all Members were welcome to attend.

(1) the report was noted.

John Bevan left the meeting.

14 AUTHORITY APPOINTMENT TO LEE VALLEY LEISURE TRUST LIMITED — Paper A/4235/16

The report was introduced by the Director of Corporate Services.

(1) the appointment of John Bevan as an Authority appointed Trustee of the Lee Valley Leisure Trust Limited; and

(2) delegation to the Director of Corporate Services in conjunction with the Chairman to arrange for service of Notice to the Trust at the appropriate time for the termination of Authority appointed Trustees to end no later than 22 September 2017 was approved.

John Bevan returned to the meeting.

John Knapman was nominated as Chairman for the next item.

Paul Osborn and Derrick Ashley left the meeting.

AUTHORITY MEETING MINUTES
20 OCTOBER 2016

15 REPORT OF THE INDEPENDENT REMUNERATION PANEL - REVIEW OF CHAIRMAN AND VICE CHAIRMAN REMUNERATION — Paper A/4233/16

The report was introduced John Knapman recommending to Members that the changes are not implemented until July 2017 so that they are in line with the Authority's term of Membership.

(1) the report of the Independent Remuneration Panel attached as Appendix A to Paper A/4233/16 was noted;

(2) the Independent Remunerations Panel's recommendation detailed in paragraph 14 of Paper A/4233/16; and

(3) changes are not implemented until July 2017 was approved.

Paul Osborn and Derrick Ashley returned to the meeting.

Paul Osborn re-took the Chair.

16 ANY OTHER BUSINESS

- It was noted that Simon Walsh was nominated to the vacancy on the Audit Committee.
- Malcolm Cowan detailed to Members his experiences during his recent visit to the Rio Paralympics, concluding that the London Olympics went well because of the great organisation and that that is our biggest legacy.
- The Chief Executive reminded Members of the upcoming major events and to let the Committee Office know if they wanted tickets:
    - Six Day London at the Lee Valley Velodrom from 25-28 October.
    - NEC Wheelchair Tennis Masters at the Lee Valley Hockey & Tennis Centre from 30 November – 4 December.
    - Revolution Champions League Cycling at the Lee Valley Velodrome from 2-3 December.

17 DATE OF NEXT MEETING

It was noted that the next meeting of the Authority will be held on Thursday, 19 January 2017 at 2.00pm at Myddelton House.

____
Chairman

____
Date

The meeting started at 2pm and ended at 2.30pm.

Lee Valley Regional Park Authority **LEE VALLEY REGIONAL PARK AUTHORITY** **AUTHORITY MEETING** **19 JANUARY 2017 AT 14:00**	**Agenda Item No:** **5** **Report No:** **A/4236/17**

2017/18 REVENUE BUDGET AND LEVY

Presented by the Director of Finance & Resources

SUMMARY

The Executive Committee considered the attached paper (Annex A, Paper E/477/17) at their meeting this morning (19 January 2017) which sets out budget proposals to support the delivery of the Authority's ambitions and objectives over the coming years (as set out in its business plan to 2020).

A verbal update will be provided to Members at the Authority meeting regarding the recommendations/proposals put forward by the Executive Committee at their meeting.

RECOMMENDATIONS

Members Approve:

(1) a proposed levy for 2016/17;

(2) additional net income and savings as set out in Appendix B1/B2 to paper E/477/17 (including the continued introduction of car parking charges across sites identified and covered in more detail in Appendix H to paper E/477/17);

(3) financing for the capital programme and revenue contribution to capital of £1.3m as set out in paragraph 22 of paper E/477/17;

(4) a net revenue budget of £10.187m (option 1) or £10.620m (option 2) as set out in paragraph 31 of paper E/477/17; and

(5) a minimum level of reserves of £4m be maintained as set out in paragraph 30 of paper E/477/17.

BACKGROUND

1 A Budget Workshop was held on 15 December 2016 to consider proposals for the 2017/18 budget and levy. The views of the Workshop were considered as part of the paper presented to Executive Committee this morning as set out in

Annex A (Paper E/477/17).

2 The views of the Workshop and recommendations from Executive Committee need to be considered by the full Authority.

3 The Authority is required to set a budget and levy annually by 24 January and notify contributing authorities by no later than the 15 February in the year preceding that levy.

ENVIRONMENTAL IMPLICATIONS

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

EQUALITY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

6 These are dealt with in the body of the report attached as Annex A (Paper E/477/17).

HUMAN RESOURCE IMPLICATIONS

7 These are dealt with in the body of the report attached as Annex A (Paper E/477/17).

LEGAL IMPLICATIONS

8 The Authority is required to set a budget and levy annually by 24 January and notify contributing authorities by no later than the 15 February in the year preceding that levy.

RISK MANAGEMENT IMPLICATIONS

9 These are dealt with in the body of the report attached as Annex A (Paper E/477/17).

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PREVIOUS COMMITTEE REPORTS

Budget Workshop		Prosed Budget & Levy 2017/18	15 December 2016
Executive	E/470/16	Proposed Capital Programme 2016/17 Revised to 2020/21	15 December 2016
Executive	E/466/16	Authority Fees & Charges Review 2017/18	20 October 2016
Executive	E/464/16	2017/18 Budget Methodology, Assumptions, and Timetable	20 October 2016
Authority	A/4222/16	Proposed Budget & Levy 2016/17	21 January 2016

ANNEX ATTACHED

Annex A Paper E/477/17

Lee Valley Regional Park Authority LEE VALLEY REGIONAL PARK AUTHORITY EXECUTIVE COMMITTEE 19 JANUARY 2017 AT 12:30	Agenda Item No: 6 Report No: E/477/17

2017/18 REVENUE BUDGET AND LEVY

Presented by the Director of Finance & Resources

EXECUTIVE SUMMARY

The Authority, like most public sector organisations, is facing a very challenging time with enormous pressures on public funding and the levy. The Authority is striving to be a community focused world class leisure destination, which is supported by a strong commercial base. It continues to seek increase value to the regional constituency, whilst reducing the cost of the Lee Valley Regional Park to the taxpayer.

The Authority has come through an exceptional period with the establishing of three Olympic legacy venues; the ongoing delivery of a range of business development/ investment projects; transferring the operation and management of venues and services to the Lee Valley Leisure Trust (Vibrant Partnerships) and reducing the significant business rates liability it faced as a result of inheriting the legacy venues on its land.

The current levy was reduced by 2% for 2016/17 and this was the sixth consecutive year of reduction. The levy for 2017/18 onwards is yet to be determined, but will be subject to the significant challenges facing the Authority and those who contribute via the levy.

The actual levy for 2016/17 is £10.837m (which is 46.5% of the maximum chargeable). This equated to £0.95p per person in Herts, Essex and London. The budget included a net management fee of £3.2m to Vibrant Partnerships to fund the net cost of venues and support service costs.

The Authority is required to set a budget and levy for 2017/18 by 24 January 2017 and notify contributing authorities by 15 February 2017.

This paper sets out budget proposals to support the delivery of the Authority's ambitions and objectives over the coming years (as set out in its Business Strategy for 2010-2020 and the revised Business Plan 2016-2019).

The Budget Methodology & Assumptions paper (E/464/16) set out the assumptions for preparing the budget and the Levy Strategy Working Group will continue to make recommendations delivering a core objective of continuing to significantly decrease the levy and maintaining its downward trajectory. The budget proposals set out in this paper were considered by Members at a Budget Workshop on 15 December 2016. Two options were considered at that meeting. Both options deliver a balanced budget The options put forward were:

1. Option 1 – To reduce the levy in 2017/18 by 6%

2. Option 2 – To reduce the levy in 2017/18 by 2%

Members at this Workshop also considered the net income and savings as set out in Appendix B1/B2 and that the future downward levy direction would be determined as part of the work of the Member led Levy Strategy Working Group incorporating and delivering the Corporate Land and Property Strategy.

RECOMMENDATIONS

Members Recommend to Authority:

(1) a proposed levy for 2017/18;

(2) additional net income and savings as set out in Appendix B1 or B2 (including the continued introduction of car parking charges across sites identified and covered in more detail in Appendix H to this report);

(3) financing for the capital programme and revenue contribution of £1.3m as set out in paragraph 21 of this report;

(4) a net revenue budget of £10.187m (option 1) or £10.620m (option 2) as set out in paragraph 31 of this report; and

(5) a minimum level of reserves of £4m be maintained as set out in paragraph 30 of this report.

BACKGROUND

1 **Remit**
The Authority and its Members have a statutory duty to develop the 10,000 acre Park as a regional destination, but it is not required to deliver developments or activities directly itself. The Authority's vision for 2020 is that the Lee Valley Regional Park should be "A World Class Leisure Destination".

2 **Business Strategy**
The Authority is continuing to be "community focused and commercially driven" as it works to deliver its vision. It continues to increase value and to enhance the visitor offer for constituent boroughs, whilst reducing the cost of the Lee Valley Regional Park to the taxpayer. Following the 2% decrease in 2016/17 the levy is 46.5% of the maximum chargeable. The cost per head reduced to £0.95p in 2016/17. The future levy direction is considered as part of the Levy Strategy Working Group and the revised Business Plan 2016-2019.

3 As set out in the Authority's Business Plan the aspiration is:

- to become a world class leisure destination;

- to establish a strong commercial base;
- to increase regional relevance and value; and to have an enhanced reputation and stronger political position.

4 **Levy Policy**
In January 2011 (paper A/4110/11) the Authority revised its medium term levy policy. Members approved that the Authority's levy would be decreased by 2% per annum in 2011/12 and 2012/13, subject to inflation and other prevailing economic factors at that time. There was no levy policy beyond this point in time, but subsequently the levy has reduced every year by 2% up to 2016/17.

As part of the 2016-19 business plan a Member led Levy Strategy working group was established to review the levy policy going forward. Its objective was to look at options for a significant reduction of the levy during the period 2017/18 to 2020/21. The work of this group to date is included within this paper.

5 The current levy is £10.837m (which is 46.5% of the maximum chargeable in 2016/17) and equates to £0.95p per head of population (see Appendix F).

6 **Funding Strategy**
The Authority recognises the importance of developing new income streams, making efficiency savings and maximising the return from its assets to enable it to reduce its reliance on the levy. Over the past six years the Authority has successfully applied a measured approach to reducing the levy by 2% per annum managed by realistic increases in income, some stretch targets and expenditure efficiencies, whilst incorporating major parts of the Olympic Legacy into its property portfolio and increasing the quality and value of its services.

7 The Authority continues to focus on the following areas to reduce its reliance on the levy:

- break-even (excluding overheads) business plans for the legacy venues on Queen Elizabeth Olympic Park (Lee Valley VeloPark and Lee Valley Hockey & Tennis Centre) via Vibrant Partnerships (the Trust);
- development of the next phases of the Dobbs Weir site and Lee Valley White Water Centre (LVWWC);
- income generation schemes at the Lee Valley Athletics Centre (LVAC), working towards a break-even position (excluding overheads);
- investment in Hayes Hill Farm and Stanstead Marina to generate further income; and
- identifying new business development opportunities, e.g. Ice Centre, Picketts Lock site, Broxbourne Riverside and Lea Bridge Road master planning.

8 Work is in progress on all of the above areas and detailed reports (have been) and will continue to be presented to the Executive Committee and/or Authority for consideration and approval in the coming months.

9 **Contributing Authorities – Funding**
The Chancellor presented his new Autumn statement on 23 November 2016. The detail of the Local Government finance settlement for 2017/18 was published on the 15 December 2016 and Appendix G sets out the next three years estimated settlement figures for contributing authorities and the percentage change over this period. It should be noted that the estimated core

spending power includes assumptions around Local Authorities increasing their Band D in line with the 2% limit through to 2019/20; potential additional Council Tax from the adult social care council tax flexibility; and grants for Adult Social Care Support, New Homes Bonus, Rural Services Delivery and transitional relief grant.

10 In terms of the contributing authorities, for 2017/18 the decrease in their funding settlement ranges from -0.2% to -3.4% with the average being a reduction of -1.4%. Future years (2018/19 onwards) see small proposed increases being projected into 2019/20.

11 Each year the Mayor publishes a Budget Guidance document to aid the GLA and GLA group in preparing their budgets for the next financial year. The Mayor published his budget guidance for 2017-18 on 1 July 2016. A draft consolidated budget was published in mid-December. The GLA 2016/17 budget reduced the Band D from £295 by £19 to £276 and thus fulfilled the previous commitment to reduce the Council precept by 10% from the 2012/13 levels. The Band D proposal for 2017/18 is £280.02 an increase of 1.46% - an increase to support the maintenance of policing in London. It is assumed that this level will remain static at its proposed level through to 2021. The actual level of change will be approved in February.

DEMANDS ON THE AUTHORITY

12 The demands on the organisation over the next few years are significant:

- successfully establishing the Trust as a sustainable business operating model;
- successfully ensuring (via the Trust) the continued operation of three new major sports venues – Lee Valley VeloPark, Lee Valley Hockey & Tennis Centre and Lee Valley White Water Centre;
- generating additional income through a range of investment projects across the Trust Venues and the open spaces;
- enhancing the Regional Park as a visitor destination through a number of developments; and marketing the Park to a regional audience and delivering greater value to the communities of London, Essex and Herts.

13 The Authority had to absorb the operating and maintenance costs of the legacy venues on its land – Lee Valley VeloPark, Lee Valley Hockey & Tennis Centre and Lee Valley White Water Centre. No additional external funding was provided to the Authority for running these venues. The transfer of management for these and other venues to the Trust secured savings of £2m including business rate savings of £1.7m from 2015/16. The Trust is currently working to further reduce this cost through a mixture of income generation and cost savings to enable a break-even position (excluding central overheads) to be achieved by 2019/20. A target and principal set out in the Leisure Service Contract.

AUTHORITY'S FINANCIAL POSITION

14 The Authority has a strong financial base. This has been achieved through prudent and efficient financial management with direct income (i.e. fees and charges/rents) now estimated to achieve 65% of the Authority's/Trust's gross expenditure compared to 35% in 2010/11.

15 The Medium Term Financial Plan (MTFP) has been developed to assist the delivery of the Authority's vision to 2020 and its three year Business Plan to 2019. It provides a snapshot in time as it is difficult to predict with any level of certainty beyond a two/three year period. The figures beyond 2017/18 should only be used as a guide to determine the general direction of travel.

16 The MTFP is attached at Appendix A1 and A2 reflecting two proposals: the main proposal Option 1 stemming from the work of the Levy Strategy Working Group; and an alternative proposal, Option 2. These two options for the 2017/18 budget and levy are set out in Table 1 below. Future years (2018/19 to 2020/21) both assume maintaining the downward trend in the levy which is in line with previous assumptions. Members of the Levy Strategy Working Group will continue to develop proposals for future years going forward.

Table 1: Summary Medium Term Financial Plan

		2017/18 £'000s Option 1	**2017/18 £'000s Option 2**
1.	Base budget 2017/18 Authority Trust	 7,692 3,159	 7,692 3,159
	Total Base Budget	**10,851**	**10,851**
2.	Authority Net In year inflation and base adjustments	298	298
3.	Authority 2017/18 net income/savings Trust 2017/18 net income/ savings	(722) (304)	(722) (304)
	Total Net Savings	**(1026)**	**(1026)**
4.	**Community Access Fund**	**60**	**100**
5.	**Re investment of Savings**	**0**	**397**
6.	Base Budget 2017/18 Authority Trust	 7,328 2,855	 7,765 2,855
7.	**Revised Total Budget**	**10,183**	**10,620**
8.	**2016/17 Levy**	**(10,837)**	**(10,837)**
9.	**Levy: 6% decrease** **Main Proposal Option 1**	**650**	
10	**Levy: 2% decrease** **Alternative Proposal Option 2**		**217**
11	**2017/18 Proposed Levy**	**(10,187)**	**(10,620)**

17 Proposed savings/additional income for 2017/18, which will enable the delivery of the corporate priorities, are set out in Appendix B1/B2. A balanced budget will be delivered by achieving on-going net savings/income of £1,026,000 in the 2017/18 proposed budget. A summary of the two options put forward is set out below:

Main Proposal – Option 1

- 6% Reduction in the levy in 2017/18
- Community Access Fund proposed at £60,000 per year
- Cumulative levy decrease up to 25% by 2020/21
- Future year surpluses to be invested in opening up the Park

- Revised Levy in 2017/18 at £10.187m

Alternative Proposal – Option 2

- 2% Reduction in the levy in 2017/18
- Community Access Fund proposed at £100,000 per year
- Cumulative levy decrease up to 8% by 2020/21
- 2017/18 and future year surpluses to be invested in opening up the Park
- Revised Levy in 2017/18 at £10.620m

18 The **key risk areas** in relation to the current MTFP are set out below:

- **Operating costs - legacy venues** – business plans have been developed for these venues (Lee Valley VeloPark, Lee Valley Hockey & Tennis Centre and LVWWC) based on the first full year of usage in the Trust.

- **Inflation** - the re-costed base budget assumes pay increases at 1% for 2017/18 to 2019/20 in line with the public sector pay restraint. It covers a 5.0% increase assumed for insurances; a 0% increase for utilities; 0.5% for investment income; and 0% for contractual arrangements/supplies and services except grounds maintenance which has a contractual uplift built in equating to 2% per year. However, the economic climate is uncertain at present and inflation has previously peaked at 5.6% (September 2011). A 1% variance in inflation could impact on the base budget by up to an additional £110k. The Consumer Price Index (CPI) is currently running at around 1.2% and 2.2% for RPI (November 2016). These figures will be monitored on a regular basis and any variation reported to Members through the quarterly revenue monitoring reports.

- **Contaminated Land** – the Regional Park contains a legacy created by a variety of uses, some of which have resulted in land contamination. The Authority (led by a Member task and finish group reporting to the Executive Committee) has developed and approved a Contaminated Land Strategy and a Contaminated Land Policy Statement. There are a small number of sites still under review by officers together with the task and finish group. This work will be completed by Spring next year. The Authority will then need to consider contamination on land where change of use or development proposals are considered. There is currently limited budget available for dealing with any land contamination issues that may arise.

- **Major International Events for the Legacy Venues** – major international events have been an important feature of the three Lee Valley legacy venues. Before the 2012 Games there was a drive from the national governing bodies, UK Sport, regional bodies, the Boroughs and the Authority, to secure major events post Games across all the legacy venues. Bids were submitted for a host of events including three at the Authority venues - 2016 Track Cycling World Championships, 2015 Canoe Slalom World Championships and 2015 European Hockey Championships. All three bids were successful and the Authority along with a range of partner agencies committed funding support for these major international events. The Authority, along with its funding partners, will be revisiting the business plans for all three events with the aim of reducing the financial commitment.

  There is significant value to be gained for the Authority in hosting major international events. Extensive press and media coverage (including TV) will promote the venues and the Lee Valley Regional Park to a regional, national and international audience. Officers will work to translate this high level of exposure into increased business. Naming rights sponsors and category sponsors are attracted by venues which host major, high profile events, so having major events in the venues programme may assist in attracting sponsors. Investment in future major events will be subject to meeting specific criteria and subject to a business case with one-off funding met via reserves subject to Executive approval.

- **Budget uncertainties** – in addition to the above, there are a number of budget uncertainties. These include the level of sponsorship, car parking income, grain and milk prices and income levels at venues as a result of the economic climate. Estimates for these areas have been included within the budget proposals based on previous experience/usage. However there may be some variation to these figures, which will be reported to Members through the quarterly revenue monitoring reports.

- **Triennial Pension Valuation** – Every three years the pension fund is fully revalued, subject to assumptions around performance of investments, increased liabilities the employers contribution may increase over the current provision set at 21.7%. A provision of £100k (circa 3%) per year is built into the base budget to meet any potential increase set by the London Pension Fund Authority. The valuation is usually known by late January/early February.

- **Investment Income** – short term decreases in investment income are anticipated as current investments mature in the coming months. Currently these investments are securing on average a 1% return. It is unlikely that similar reinvestments will achieve much in excess of 0.5%. Future year returns will depend on investment periods, demands placed on the capital programme (resulting in outgoing of capital funds) and potential future land sales.

- **Income from fees and charges** - forms a major part (circa 65%) of the Authority/Trust's funding. Changes in demand, caused by weather, economic factors, terrorism, bad publicity etc could have a material effect in any given year on achieving a balanced budget. Both organisations carry business interruption insurance but this does not insure against risks like bad weather or bad publicity. The Authority mitigates some of this risk by maintaining reasonable levels of reserves; the Trust also needs to build its own level of reserves to mitigate this risk.

19 Subject to the underlying assumptions and risks/uncertainties as set out above, a proposed balanced and surplus budget under both options set out above can be achieved. One-off items for expenditure in 2017/18 will be funded by reserves following a report to Executive Committee detailing the proposal and the business case that would support the release of this funding, for example, major events and events relating to 50 years of the Park.

REVENUE CONTRIBUTION TO CAPITAL

20 The Authority is in a new phase of capital programming. Over the last couple of years there has been a shift from replacement and renewal to maintenance of

assets and investment in existing assets/business development projects to increase income. The annual contribution has been reduced over recent years to reflect this shift and has been reduced from £2.9m in 2005/06 to £1.8m.

There are now some key sites where development will be considered, for example, redevelopment/relocation of the Ice Centre, the Picketts Lock site, Broxbourne Riverside and Lea Bridge Road master planning. These developments will continue to place pressure on the Authority's planned capital demands going forward.

21 **The annual revenue contribution is proposed at £1.3m** and this will enable the delivery of the current capital programme and enable the current estate to be maintained. A major part of this proposal is reliant upon land sale receipts to support future investment proposals. The Authority could also consider borrowing to fund any potential developments. Given the current favourable borrowing rates, it may be beneficial for the Authority to undertake borrowing at this time if required. Any loan repayments would however need to be funded from the levy/additional income or savings.

22 The revised capital programme 2016/17 to 2020/21 was considered by the Executive Committee on 15 December 2016 (Paper E/470/16). Based on the proposed capital programme and financing (assuming land sales are actually achieved), capital reserves are projected to stand at an estimated £15.8m at the end of 2020/21.

THE LEVY

23 The maximum levy is determined by law. The annual increase for the maximum levy is based on the Retail Price Index (RPI) as at September. The RPI for September 2016 was 2.0%. Therefore the maximum levy for 2017/18 is set at £23.7m (2016/17 was £23.3m).

24 A **1%** movement in the levy equates to approximately £108k per annum for the Authority. Whilst a 1% movement in the levy impacts between £201 and £14,415 for the smallest and largest contributing authorities respectively. With the majority of contributing authorities falling between £1.3k and £3.9k per annum.

25 Over the last three, five and ten years, the levy has been significantly below inflation with a real term decrease of over 30% in this period.

	3 Year Change	5 Year Change	10 Year Change
Levy decrease	-6.00%	-10.00%	-6.00%
RPI increase	6.30%	14.50%	27.70%
	-12.30%	-24.50%	-33.70%

26 This year's proposed funding settlement for contributing authorities following the spending review in November 2016 (as set out in paragraphs 9 and 10 above) is detailed in Appendix G to this report and for contributing authorities funding is projected to decrease in 2017/18. Appendix D to this report sets out the cash and real term decrease in the levy experienced by contributing Authorities since 2010.

27 In terms of inflation indices used for the levy calculation and the budget, the Consumer Price Index (CPI) is running at 1% and the Retail Price Index (RPI) at 2.0% (September 2016). Other indices for comparison are set out in Appendix C to this report.

RESERVES

28 Any decision taken by Members that does not provide for a balanced budget will have a downward impact on reserves. The unallocated General Fund reserve was £4.7m as at 1 April 2016. Members agreed to fund the Ice Centre feasibility and carry forwards for 2016/17 from these reserves. The projected spend in 2016/17 is likely to reduce this balance to **£4.1m by 31 March 2017**.

29 **To use reserves to fund any on-going deficit is not recommended**; unless it is only for a temporary period, i.e. one year and that it can be demonstrated there is a clear plan to address the ongoing deficit. The external auditor has previously highlighted the unsustainability of relying on general reserves to fund budget deficits.

30 Members approved the recommendation of the Director of Finance & Resources to set **a minimum general reserve of £4m**, based on the risk factors set out in the Budget Methodology and Assumptions paper (E/418/15) and those restated in this paper. It is again recommended that this minimum level of reserves is maintained over the medium term, although annual fluctuations may occur above/below this level depending on any "one-off" commitments approved by Members in a given year.

FUNDING OPTIONS & PROPOSED LEVY

31 Subject to the underlying assumptions and risks/uncertainties as set out, the proposed **budget for 2017/18 is £10.187m (Main Proposal - Option 1) or £10.620m (Alternative Proposal - Option 2)** and is in line with the Budget Methodology and Assumptions paper.

32 The Authority's aim has been to operate its venues (including legacy venues) at a break-even position (excluding central overheads). The MTFP sets out stretch targets which would work towards this objective by 2020/21.

33 Appendix B1/B2 to this report also incorporates the stretch income targets to enable legacy venues to work towards a break-even position by 2021. These stretch income targets commenced in 2015/16 and when achieved all venues will, at a minimum, be at a break-even position.

34 Appendix E to this report sets out the impact of a 0%, 1%, 2% and 6% variation in the levy for contributing authorities.

CONCLUSIONS

35 The Authority has significant demands in the coming years, including assisting the Trust to establish itself as a sustainable going concern, the operation of the legacy venues on its land; and the implementation of a number of income generation initiatives to reduce its reliance on the levy as well as delivering key land disposals to support the capital programme.

36 It continues to strive to increase value to the regional constituency, whilst

reducing the cost of the Lee Valley Regional Park to the taxpayer. It will continue to work with partners, outsource/buy-in services and further investigate shared service provision, to push down on costs and to improve quality. Furthermore, it will continue to assist the Trust to use technology to further improve efficiency, e.g. online bookings.

37 In the 2014/15 budget paper (A/4161/14) Members were advised that to deliver the current plan the Authority must ensure it resolved the long term deficit. Members will be aware that they took major decisions in establishing the Trust to help bridge a large part of the funding gap. These decisions started to have an impact from April 2015 with annual savings of circa £2m resolving the previously identified deficit.

38 Increases or maintaining the levy at its current level (£10.837m) will have an impact on the contributing authorities who themselves are already under significant financial pressure to make reductions and savings, even a small reduction may not meet the expectations of contributing authorities due to the financial pressures that they are under. This view needs to be balanced against the Authority's (and Members) own statutory remit as set out in the Park Act. A longer term levy policy/direction may offer contributors more reassurance in this area and is the subject of on-going work by the Levy Strategy working Group.

NEXT STEPS

39 The recommendations from Executive Committee this morning will go to the full Authority in the afternoon of 19 January 2017.

40 The Authority will then approve a budget and levy for 2017/18.

ENVIRONMENTAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

42 The financial implications are fully considered within the body of the report.

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

44 The Authority is required to set a budget and levy annually by 24 January 2017 and notify contributing authorities by no later than the 15 February 2017 in the year preceding that levy.

RISK MANAGEMENT IMPLICATIONS

45 Paragraph 19 sets out the main risks to the Authority in achieving the budget during 2017/18. Most significantly the economic climate remains extremely

uncertain and could impact adversely on the assumptions made.

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PREVIOUS COMMITTEE REPORTS

Executive	E/470/16	Proposed Capital Programme 2016/17 Revised to 2020/21	15 December 2016
Executive	E/466/16	Authority Fees & Charges Review 2017/18	20 October 2016
Executive	E/464/16	2017/18 Budget Methodology, Assumptions, and Timetable	20 October 2016
Authority	A/4222/16	Proposed Budget & Levy 2016/17	21 January 2016

APPENDICES ATTACHED

Appendix A1	Medium Term Financial Plan – Main Proposal Option 1
Appendix A2	Medium Term Financial Plan – Alternative Proposal Option 2
Appendix B1	Proposed Increased Income and savings 2017/18 Option 1
Appendix B2	Proposed Increased Income and savings 2017/18 Option 2
Appendix C	Levy Trend compared to other indices
Appendix D	Cash & Real Term Savings - Contributing Authorities since 2010
Appendix E	1%, 2%, 6% change in levy for contributing authorities.
Appendix F	Levy Per Head of Population for Herts, Essex & London
Appendix G	Four year funding settlement for contributing Authorities
Appendix H	Proposed Car Parking Charges

LIST OF ABBREVIATIONS

MTFP	Medium Term Financial Plan
RPI	Retail Price Index
CPI	Consumer Price Index
GLA	Greater London Authority
LVWWC	Lee Valley White Water Centre
LVAC	Lee Valley Athletics Centre
CAF	Community Access Fund
the Trust	Lee Valley Leisure Trust (trading as Vibrant Partnerships)
Park Act	Lee Valley Regional Park Act 1966

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AUTHORITY SUMMARY MTFP DECEMBER 2016 - MAIN PROPOSAL OPTION 1

	Notes	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Approved Base Budget	a	8,306	7,692	7,627	7,627	7,627
Impact of Pay Award	b	0	42	84	126	168
Impact of Increments	c	0	36	66	66	66
Impact of Insurance Premiums	d	0	14	28	42	56
Non Salary Inflation (Net)	e	0	20	40	60	80
Income inflation	f	0	(5)	(10)	(15)	(20)
Utilities	g	0	1	3	5	7
Pension Fund Adjustment	h	0	100	100	100	100
Projected Revenue Overspend 2016/17 (2nd Quarter)	i	1	0	0	0	0
Reduced Investment income	j	50	90	90	90	90
Net In year inflation and base adjustments		51	298	401	474	547
Leisure Services Contract Management Fee		3,159	3,159	3,159	3,159	3,159
Total Projected Budget		11,516	11,149	11,187	11,260	11,333
Annual Proposed Levy Reduction (%)		0.00	-6.00	-4.00	-10.00	-5.00
Cumulative Proposed Levy Reduction (%)		0.00	-6.00	-10.00	-20.00	-25.00
Propsed Levy	k	(10,837)	(10,187)	(9,779)	(8,801)	(8,361)
Budget Deficit	l	679	962	1,408	2,459	2,972
2017/18 Savings Schedule	m	0	(966)	(1,689)	(3,035)	(3,655)
Revised Budget Requirement		11,516	10,183	9,498	8,225	7,678
Revised Budget (Surplus)/Deficit		679	(4)	(281)	(576)	(683)
General Reserves:						
Available General Reserves		(4,760)	(4,081)	(4,085)	(4,366)	(4,942)
Budget (Surplus) / +Deficit		679	(4)	(281)	(576)	(683)
Balance Carried Forward:		(4,081)	(4,085)	(4,366)	(4,942)	(5,625)

Appendix A1 to Paper E/477/17

Notes & Assumptions

a Removal of one-off items added to budget eg 2016/17carry forwards and community access fund add carry forward into 2017/18

b Pay Assumed at 1% 2017/18 and thereafter based on public sector pay freeze.

c Estimated annual increments for eligible staff based on existing scale points

d Insurance premiums estimated at 5%

e Non-salary inflation on contracts e.g Grounds Maintenance

f Income Inflation at average 2%

g Gas and Electricity at 0% 2017/18 and 4% 2018/19 onwards

h Potential Estimated adjustments to pension fund following triennial valuation.

i Reported revenue overspend 2016/17 (Paper E/463/16)

j Estimated decrease in investment income due to cut in base rates to 0.25% (assumed return of 0.5%)

k Proposed levy 2017/18 onwards

l Budget deficit before savings implemented or levy adjusted.

m Authority/Trust net savings/increased income starting in 2017/18 see separate spreadsheet.

Minimum Reserve level of £4m maintained from 2017/18 onwards

General

Plan has been based on Authority's strategic direction to 2020 and Revised Business Plan 2016-2019
Does not include impact of Park Development Framework
Based upon Revised Draft Capital Programme December 2016 approved by Members
Budget (Surplus) / +Deficit assuming all risk areas and stretch targets achieved
Excludes Rating Valuation assumed net nil increase overall due to some increases offset by decreases plus transitional relief and rate in pound yet to be determined

AUTHORITY SUMMARY MTFP DECEMBER 2016 - ALTERNATIVE PROPOSAL - OPTION 2

	Notes	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Approved Base Budget	a	8,306	7,692	7,627	7,627	7,627
Impact of Pay Award	b	0	42	84	126	168
Impact of Increments	c	0	36	66	66	66
Impact of Insurance Premiums	d	0	14	28	42	56
Non Salary Inflation (Net)	e	0	20	40	60	80
Income inflation	f	0	(5)	(10)	(15)	(20)
Utilities	g	0	1	3	5	7
Pension Fund Adjustment	h	0	100	100	100	100
Projected Revenue Overspend 2016/17 (2nd Quarter)	i	1	0	0	0	0
Reduced Investment income	j	50	90	90	90	90
Net In year inflation and base adjustments		51	298	401	474	547
Leisure Services Contract Management Fee		3,159	3,159	3,159	3,159	3,159
Total Projected Budget		11,516	11,149	11,187	11,260	11,333
Proposed Levy Reduction (%)		0.00	-2.00	-2.00	-2.00	-2.00
Cumualative Proposed Levy Reduction (%)		0.00	-2.00	-4.00	-6.00	-8.00
Proposed Levy	k	(10,837)	(10,620)	(10,408)	(10,200)	(9,996)
Projected Budget (Surplus)/Deficit	l	679	529	779	1,060	1,337
2017/18 Savings Schedule	m	0	(529)	(783)	(1,073)	(1,363)
Revised Budget Requirement		11,516	10,620	10,404	10,187	9,970
Revised Budget (Surplus)/Deficit		679	(0)	0	(12)	(25)
General Reserves:						
Available General Reserves		(4,760)	(4,081)	(4,081)	(4,081)	(4,094)
Budget (Surplus) / +Deficit		679	(0)	0	(12)	(25)
Balance Carried Forward:	n	(4,081)	(4,081)	(4,081)	(4,094)	(4,120)

Notes & Assumptions

a Removal of one-off items added to budget eg 2016/17carry forwards and community access fund add carry forward into 2017/18

b Pay Assumed at 1% 2017/18 and thereafter based on public sector pay freeze.

c Estimated annual increments for eligible staff based on existing scale points

d Insurance premiums estimated at 5%

e Non-salary inflation on contracts e.g Grounds Maintenance

f Income Inflation at average 2%

g Gas and Electricity at 0% 2017/18 and 4% 2018/19 onwards

h Potential Estimated adjustments to pension fund following triennial valuation.

i Reported revenue overspend 2016/17 (Paper E/463/16)

j Estimated decrease in investment income due to cut in base rates to 0.25% (assumed return of 0.5%)

k Proposed Levy 2017/18 onwards

l Budget deficit before savings implemented or levy adjusted.

m Authority/Trust net savings/increased income starting in 2017/18 see separate spreadsheet.

n Minimum Reserve level of £4m maintained from 2017/18 onwards

General

Plan has been based on Authority's strategic direction to 2020 and Revised Business Plan 2016-2019
Does not include impact of Park Development Framework
Based upon Revised Draft Capital Programme December 2016 approved by Members
Budget (Surplus) / +Deficit assuming all risk areas and stretch targets achieved
Excludes Rating Valuation assumed net nil increase overall due to some increases offset by decreases plus transitional relief and rate in pound yet to be determined

Levy Strategy - Indicative Figures (Main Proposal - Option 1)

Item	Description	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Comments
	Savings/Increased Income/Efficiencies					
1	Reduce levy for Capital	(500,000)	(500,000)	(500,000)	(500,000)	Assumed reduction in Levy for investment in new schemes by funding through Land Sales.
2	Reduced LSC Management Fee	(304,000)	(606,500)	(1,502,000)	(1,532,000)	As per Trust proposed schedule of savings £6m investment required. Further significant savings post contract renewal may be achievable.
3	New Car Parking Charges	(70,000)	(100,000)	(100,000)	(100,000)	Stretch Income by charging at other LVRPA car parks.
4	Remove Inflation From GM budgets	(20,000)	(20,000)	(20,000)	(20,000)	Cash limited budget by removing inflation to GM budgets (scheduled and unscheduled works).
5	Reduced Grounds Maint Specification	0	(100,000)	(100,000)	(100,000)	Identify reduction in elements of GM scheduled and unscheduled.
6	Investment opprtunity areas Picketts Lock	0	0	(300,000)	(300,000)	Private Investment - land/lease rental.
7	Increased Return from Ice Centre	0	0	0	(500,000)	Net increase in income assuming capital financing from reserves/receipts and partners.
8	Transfer of services to 3rd Parties/shared services	0	0	(70,000)	(70,000)	Review in-house versus external/shared provision
9	Events/Property	(30,000)	(60,000)	(90,000)	(130,000)	Stretch Income - Events & PropertyTeams to increase income from open spaces site hires
10	Countryside Live	(10,000)	(19,600)	(19,600)	(19,600)	Seek external funding/sponsorship/increase hire charge
11	MH Charitable Rate Relief	(25,000)	0	0	0	Seek Charitable Relief for Trust Occupation
12	Commercial Lease at Abercrombie Lodge	0	(100,000)	(100,000)	(100,000)	Abercrombie Lodge - Full commercial lease from 2018/19
13	Service reviews	0	(100,000)	(150,000)	(200,000)	As per Senior Officer Review of service areas
14	Saving re MH Management	(22,000)	(22,000)	(22,000)	(22,000)	Deletion in post following retirement - some budget retained to manage facility opening hours
15	Increased Income Youth Hostel	(40,000)	(40,000)	(40,000)	(40,000)	Increased rent due to higher turnover achieved in past few years
16	Consultancy Project Budgets	0	(40,000)	(40,000)	(40,000)	Reduction in Consultancy Budgets used to support projects
17	Gunpowder Park Building Rent	(20,000)	(20,000)	(20,000)	(20,000)	Seeking new commercial tenancy from 2017/18
18	Potential savings at Abbey gardens	0	(36,000)	(36,000)	(36,000)	Reduced grounds maintenance of non- leased part of gardens
19	East India Dock Basin	(20,000)	(20,000)	(20,000)	(20,000)	Potential Income/Rent re site use
20	Stanstead Marina Rent	35,000	35,000	35,000	35,000	Rent Review held over from 28/9/2000 (no arrears but baseline increase)
	Total	**(1,026,000)**	**(1,749,100)**	**(3,094,600)**	**(3,714,600)**	
	Budget Pressures					
21	Community Access Fund	60,000	60,000	60,000	60,000	Establish Community Access Fund as part of base budget.
	Total	**60,000**	**60,000**	**60,000**	**60,000**	
	Net Savings	**(966,000)**	**(1,689,100)**	**(3,034,600)**	**(3,654,600)**	

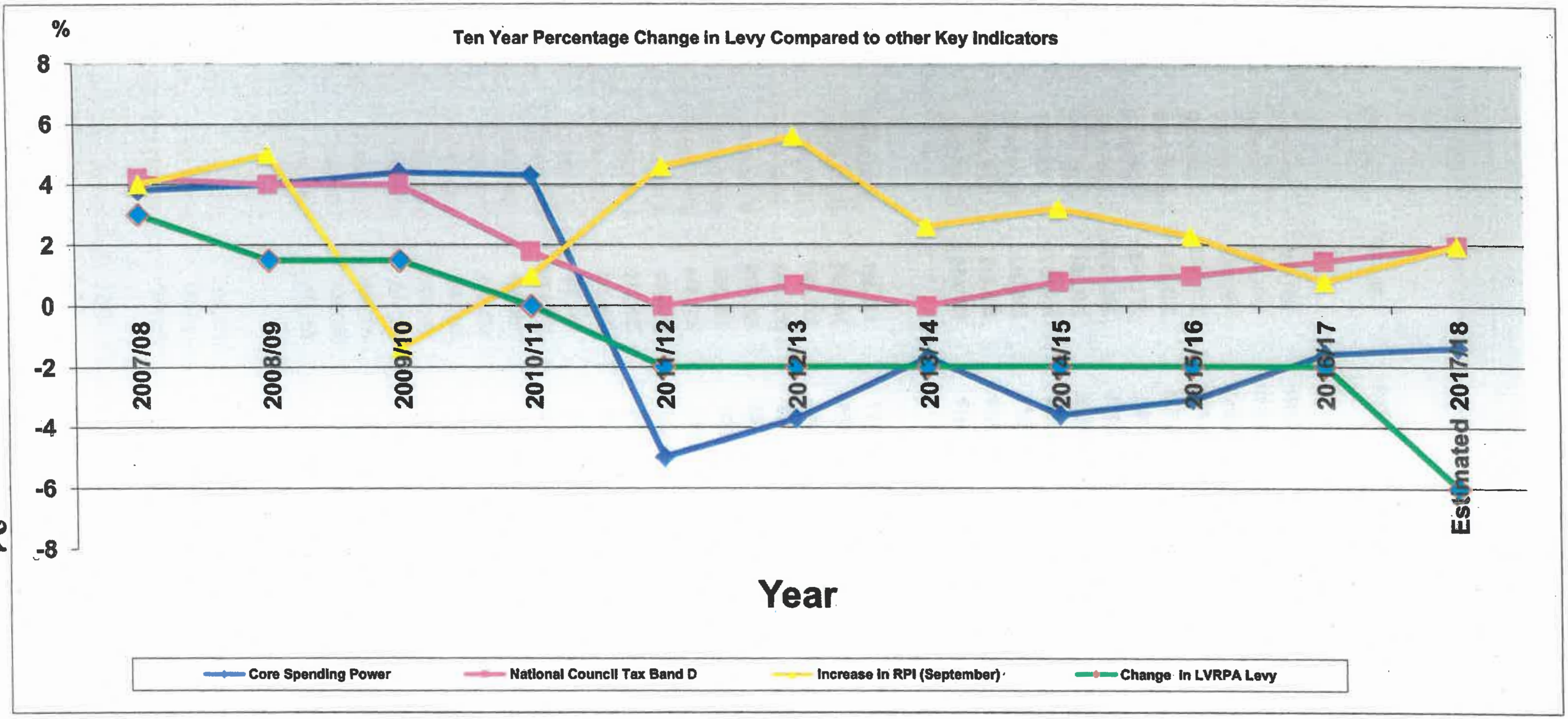
Appendix B1 to Paper E/477/17

Appendix B2 to Paper E/477/17

Levy Strategy - Indicative Figures (Altenative Proposal - Option 2)

Item Description	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	Comments
Savings/Increased Income/Efficiencies					
1 Reduce levy for Capital	(500,000)	(500,000)	(500,000)	(500,000)	Assumed reduction in Levy for investment in new schemes by funding through Land Sales.
2 Reduced LSC Management Fee	(304,000)	(606,500)	(1,502,000)	(1,532,000)	As per Trust proposed schedule of savings £6m investment required. Further significant savings post contract renewal may be achievable.
3 New Car Parking Charges	(70,000)	(100,000)	(100,000)	(100,000)	Stretch Income by charging at other LVRPA car parks.
4 Remove Inflation From GM budgets	(20,000)	(20,000)	(20,000)	(20,000)	Cash limited budget by removing inflation to GM budgets (scheduled and unscheduled works).
5 Reduced Grounds Maint Specification	0	(100,000)	(100,000)	(100,000)	Identify reduction in elements of GM scheduled and unscheduled.
6 Investment opprtunity areas Picketts Lock	0	0	(300,000)	(300,000)	Private Investment - land/lease rental.
7 Increased Return from Ice Centre	0	0	0	(500,000)	Net increase in income assuming capital financing from reserves/receipts and partners.
8 Transfer of services to 3rd Parties/shared services	0	0	(70,000)	(70,000)	Review in-house versus external/shared provision
9 Events/Property	(30,000)	(60,000)	(90,000)	(130,000)	Stretch Income - Events & PropertyTeams to increase income from open spaces site hires
10 Countryside Live	(10,000)	(19,600)	(19,600)	(19,600)	Seek external funding/sponsorship/increase hire charge
11 MH Charitable Rate Relief	(25,000)	0	0	0	Seek Charitable Relief for Trust Occupation
12 Commercial Lease at Abercrombie Lodge	0	(100,000)	(100,000)	(100,000)	Abercrombie Lodge - Full commercial lease from 2018/19
13 Service reviews	0	(100,000)	(150,000)	(200,000)	As per Senior Officer Review of service areas
14 Service Review MH Management	(22,000)	(22,000)	(22,000)	(22,000)	Deletion in post following retirement - some budget retained to manage facility opening hours
15 Increased Income Youth Hostel	(40,000)	(40,000)	(40,000)	(40,000)	Increased rent due to higher turnover achieved in past few years
16 Consultancy Project Budgets	0	(40,000)	(40,000)	(40,000)	Reduction in Consultancy Budgets used to support projects
17 Gunpowder Park Building Rent	(20,000)	(20,000)	(20,000)	(20,000)	Seeking new commercial tenancy from 2017/18
18 Potential savings at Abbey gardens	0	(36,000)	(36,000)	(36,000)	Reduced grounds maintenance of non- leased part of gardens
19 East India Dock Basin	(20,000)	(20,000)	(20,000)	(20,000)	Potential Income/Rent re site use
20 Stanstead Marina Rent	35,000	35,000	35,000	35,000	Rent Review held over from 28/9/2000 (no arrears but baseline increase)
Total	**(1,026,000)**	**(1,749,100)**	**(3,094,600)**	**(3,714,600)**	
Budget Pressures					
21 Community Access Fund	100,000	100,000	100,000	100,000	Establish Community Access Fund as part of base budget.
22 Reinvest Savings to reopen inaccesible Park space	397,000	870,000	1,934,000	2,277,000	Creating new elements of Park/Land Decontamination/Acquisition/Open Water Swimming etc
Total	**497,000**	**970,000**	**2,034,000**	**2,377,000**	
Net Savings	**(529,000)**	**(779,100)**	**(1,060,600)**	**(1,337,600)**	

Appendix C to Paper E/477/17



	%	%	%	%	%	%	%	%	%	%	%	3 Yr	5 Yr	10Yr
Year	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Estimated 2017/18	Average	Average	Average
Core Spending Power	3.8	4.0	4.4	4.3	-5.0	-3.7	-1.7	-3.6	-3.1	-1.6	-1.4	-2.77	-2.74	-0.22
National Council Tax Band D	4.2	4.0	4.0	1.8	0.0	0.7	0.0	0.8	1.0	1.5	2.0	1.10	0.80	1.80
Increase in RPI (September)	4.0	5.0	-1.4	1.0	4.6	5.6	2.6	3.2	2.3	0.8	2.0	2.10	2.90	2.77
Change in LVRPA Levy	3.0	1.5	1.5	0.0	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	-6.0	-2.00	-2.00	-0.60

Analysis of Levy 2010/11 to 2016/17

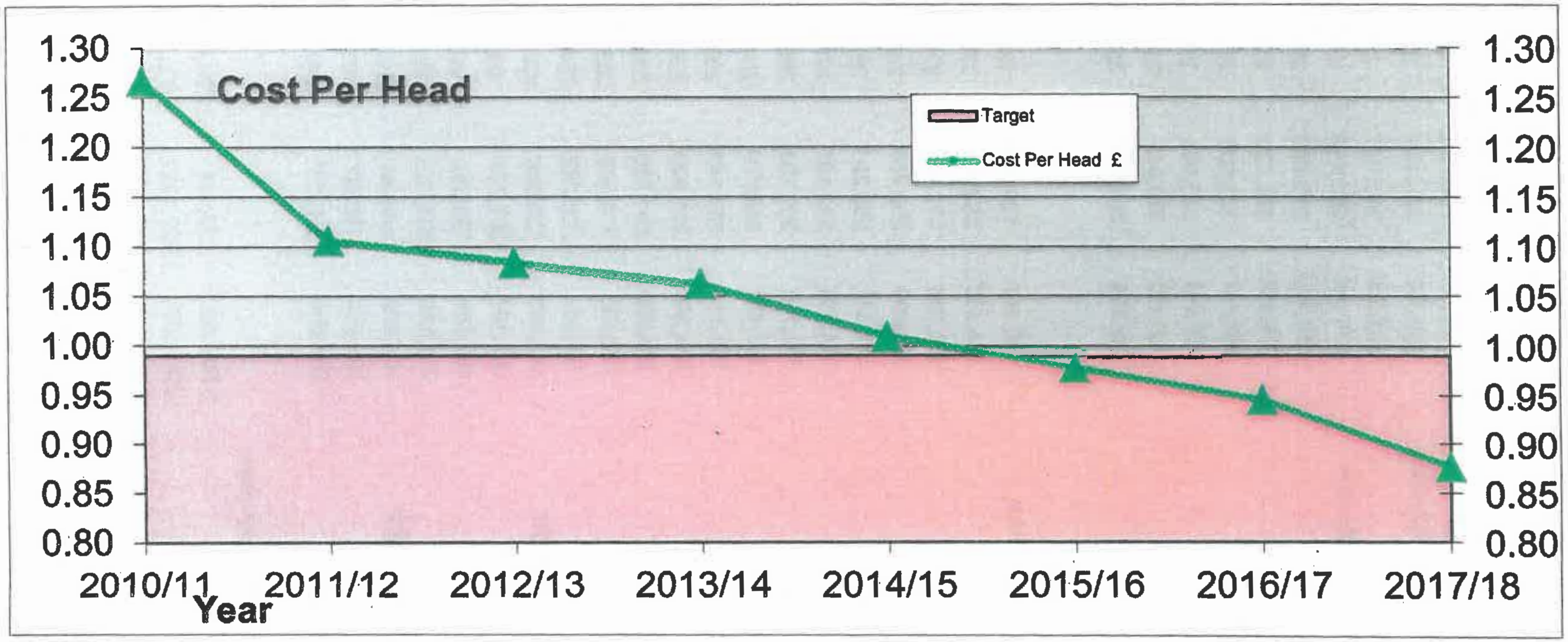
Appendix D to Paper E/477/17

	2010/11	2010/11 RPI Inflated	2016/17	Real Term Change in Levy	Cash/Actual Change in levy
	£	£		£	£
CORPORATION OF LONDON	18,101	21,740	20,120	(£1,620)	£2,018
Inner London Boroughs					
CAMDEN	290,471	348,856	251,425	(£97,430)	(£39,046)
GREENWICH	238,976	287,010	212,391	(£74,619)	(£26,585)
HACKNEY	224,407	269,513	190,352	(£79,161)	(£34,055)
HAMMERSMITH AND FULHAM	241,201	289,682	211,543	(£78,139)	(£29,658)
ISLINGTON	262,883	315,723	215,253	(£100,469)	(£47,630)
KENSINGTON AND CHELSEA	303,768	364,825	271,148	(£93,677)	(£32,620)
LAMBETH	316,383	379,976	287,965	(£92,011)	(£28,418)
LEWISHAM	266,974	320,636	224,364	(£96,271)	(£42,609)
SOUTHWARK	294,190	353,322	260,657	(£92,666)	(£33,534)
TOWER HAMLETS	257,344	309,071	238,548	(£70,522)	(£18,796)
WANDSWORTH	381,264	457,899	359,235	(£98,663)	(£22,029)
WESTMINSTER	395,345	474,810	357,656	(£117,154)	(£37,689)
Outer London Boroughs					
BARKING AND DAGENHAM	157,533	189,197	130,697	(£58,500)	(£26,836)
BARNET	419,370	503,664	386,635	(£117,029)	(£32,736)
BEXLEY	253,997	305,051	225,060	(£79,991)	(£28,937)
BRENT	294,306	353,462	255,008	(£98,454)	(£39,298)
BROMLEY	405,286	486,749	361,870	(£124,879)	(£43,417)
CROYDON	386,067	463,666	336,553	(£127,114)	(£49,514)
EALING	357,095	428,871	312,316	(£116,555)	(£44,778)
ENFIELD	334,569	401,818	269,474	(£132,344)	(£65,096)
HARINGEY	260,130	312,416	206,212	(£106,205)	(£53,919)
HARROW	263,505	316,469	234,283	(£82,186)	(£29,222)
HAVERING	272,109	326,803	244,208	(£82,595)	(£27,901)
HILLINGDON	298,868	358,940	273,625	(£85,315)	(£25,243)
HOUNSLOW	263,044	315,916	229,053	(£86,863)	(£33,991)
KINGSTON UPON THAMES	188,889	226,855	172,415	(£54,440)	(£16,474)
MERTON	226,549	272,086	203,789	(£68,297)	(£22,761)
NEWHAM	227,614	273,364	195,789	(£77,575)	(£31,825)
REDBRIDGE	275,740	331,164	238,103	(£93,061)	(£37,637)
RICHMOND UPON THAMES	271,235	325,753	247,863	(£77,890)	(£23,372)
SUTTON	224,871	270,070	201,624	(£68,446)	(£23,247)
WALTHAM FOREST	230,253	276,534	205,374	(£71,160)	(£24,879)
Hertfordshire and Essex Authorities					
HERTFORDSHIRE	1,359,909	1,633,250	1,225,369	(£407,881)	(£134,540)
ESSEX	1,614,250	1,938,715	1,441,538	(£497,177)	(£172,713)
THURROCK	157,303	188,921	139,587	(£49,334)	(£17,716)
Total Levy on Local Authorities	**12,233,800**	**14,472,585**	**10,837,100**	**(£3,855,694)**	**(£1,396,700)**

Analysis of Percentage Change in Levy 2016/17
assuming Council Tax base remains the same

	0% Current Levy	1.00% Decrease 2017/18	2.00% Decrease 2017/18	6.00% Decrease 2017/18
	£	£	£	£
CORPORATION OF LONDON	20,120	19,918	19,717	18,912
Inner London Boroughs				
CAMDEN	251,425	248,911	246,397	236,340
GREENWICH	212,391	210,267	208,143	199,647
HACKNEY	190,352	188,448	186,545	178,931
HAMMERSMITH AND FULHAM	211,543	209,428	207,312	198,850
ISLINGTON	215,253	213,101	210,948	202,338
KENSINGTON AND CHELSEA	271,148	268,436	265,725	254,879
LAMBETH	287,965	285,085	282,206	270,687
LEWISHAM	224,364	222,121	219,877	210,903
SOUTHWARK	260,657	258,050	255,444	245,017
TOWER HAMLETS	238,548	236,163	233,777	224,235
WANDSWORTH	359,235	355,643	352,051	337,681
WESTMINSTER	357,656	354,079	350,503	336,196
Outer London Boroughs				
BARKING AND DAGENHAM	130,697	129,390	128,083	122,855
BARNET	386,635	382,769	378,902	363,437
BEXLEY	225,060	222,809	220,559	211,556
BRENT	255,008	252,458	249,908	239,708
BROMLEY	361,870	358,251	354,632	340,157
CROYDON	336,553	333,187	329,822	316,360
EALING	312,316	309,193	306,070	293,577
ENFIELD	269,474	266,779	264,084	253,305
HARINGEY	206,212	204,149	202,087	193,839
HARROW	234,283	231,940	229,597	220,226
HAVERING	244,208	241,766	239,324	229,556
HILLINGDON	273,625	270,889	268,153	257,208
HOUNSLOW	229,053	226,762	224,472	215,310
KINGSTON UPON THAMES	172,415	170,691	168,967	162,070
MERTON	203,789	201,751	199,713	191,561
NEWHAM	195,789	193,831	191,873	184,042
REDBRIDGE	238,103	235,722	233,341	223,817
RICHMOND UPON THAMES	247,863	245,384	242,906	232,991
SUTTON	201,624	199,607	197,591	189,526
WALTHAM FOREST	205,374	203,321	201,267	193,052
Hertfordshire and Essex Authorities				
HERTFORDSHIRE	1,225,369	1,213,115	1,200,862	1,151,847
ESSEX	1,441,538	1,427,122	1,412,707	1,355,045
THURROCK	139,587	138,191	136,795	131,212
Total Levy on Local Authorities	**10,837,100**	**10,728,729**	**10,620,358**	**10,186,874**
Decrease (-) Increase (+)	0	-108,371	-216,742	-650,226

Year	Population	Levy £	Year	Target	Cost Per Head £	Source of Population Data
2008/09	9,660,031	**12,053,000**	2008/09	0.00	1.25	Census Poulation Office for national Statistics
2009/10	9,660,031	**12,233,800**	2009/10	0.00	1.27	Census Poulation Office for national Statistics
2010/11	9,660,031	**12,233,800**	2010/11	0.99	1.27	Census Poulation Office for national Statistics
2011/12	10,841,295	**11,989,124**	2011/12	0.99	1.11	Census Poulation Office for national Statistics
2012/13	10,841,295	**11,749,300**	2012/13	0.99	1.08	Census Poulation Office for national Statistics
2013/14	10,841,295	**11,514,314**	2013/14	0.99	1.06	Census Poulation Office for national Statistics
2014/15	11,178,353	**11,284,028**	2014/15	0.99	1.01	Mid 2012 Population Estimates,Office for National Statistics 08/08/13
2015/16	11,310,293	**11,058,347**	2015/16	0.99	0.98	Mid 2013 Population Estimates,Office for National Statistics June 2014
2016/17	11,466,609	**10,837,100**	2016/17	0.99	0.95	Mid 2014 Population Estimates,Office for National Statistics June 2015
2017/18	11,627,089	**10,186,874**	2017/18	0.99	0.88	Mid 2015 Population Estimates,Office for National Statistics June 2016



Core Spending Power - Local Authority Summary

Local Authority	Core Spending Power							Dwellings As At September 2016	Core Spending Power per Dwelling			
	£ millions		£ millions		£ millions		£ millions		£	£	£	£
	2016-17	%	2017-18	%	2018-19	%	2019-20		2016-17	2017-18	2018-19	2019-20
1 Barking and Dagenham	144.9	-1.1	143.3	1.9	145.9	3.2	150.6	74,327	1,949	1,927	1,963	2,026
2 Barnet	256.2	-0.9	253.9	0.5	255.2	3.0	262.9	146,381	1,750	1,735	1,743	1,796
3 Bexley	154.7	-0.4	154.0	1.2	155.9	3.2	160.8	97,543	1,586	1,579	1,598	1,649
4 Brent	246.5	-0.3	245.8	1.7	249.9	3.3	258.2	119,025	2,071	2,065	2,099	2,169
5 Bromley	201.7	-1.4	199.0	-0.3	198.4	2.6	203.5	138,946	1,452	1,432	1,428	1,464
6 Camden	243.3	-2.2	237.9	0.5	239.2	1.8	243.6	107,751	2,258	2,208	2,220	2,260
7 City of London	33.4	-3.4	32.2	-1.6	31.7	-0.2	31.6	6,864	4,860	4,693	4,618	4,610
8 Croydon	270.4	-1.6	266.0	1.2	269.1	2.9	277.0	153,224	1,765	1,736	1,757	1,808
9 Ealing	244.7	-1.7	240.6	1.5	244.2	2.9	251.3	133,318	1,835	1,804	1,832	1,885
10 Enfield	227.5	-1.6	223.9	1.5	227.2	2.6	233.0	123,792	1,837	1,809	1,835	1,882
11 Essex	864.6	-0.2	862.9	1.7	877.3	3.6	909.1	626,144	1,381	1,378	1,401	1,452
12 Greenwich	218.8	-0.4	217.9	0.8	219.7	2.7	225.7	112,564	1,944	1,936	1,951	2,005
13 Hackney	256.9	-2.2	251.3	0.1	251.6	2.0	256.5	111,681	2,300	2,250	2,253	2,297
14 Hammersmith and Fulham	157.0	-1.6	154.5	0.4	155.1	2.0	158.1	86,793	1,809	1,780	1,787	1,822
15 Haringey	220.1	-1.4	217.0	1.4	220.0	2.6	225.7	107,815	2,042	2,013	2,040	2,094
16 Harrow	169.5	-1.1	167.7	1.0	169.4	3.0	174.5	90,131	1,880	1,860	1,880	1,936
17 Havering	169.3	0.1	169.4	0.7	170.5	3.4	176.4	104,271	1,623	1,625	1,635	1,691
18 Hertfordshire	717.1	-0.4	714.4	0.3	716.4	3.1	738.5	484,875	1,479	1,473	1,477	1,523
19 Hillingdon	188.9	-1.2	186.6	1.2	188.9	3.3	195.0	109,987	1,718	1,697	1,717	1,773
20 Hounslow	170.9	-2.2	167.2	1.0	168.9	2.5	173.2	100,824	1,695	1,658	1,675	1,718
21 Islington	223.2	-2.6	217.5	0.5	218.7	2.2	223.5	106,868	2,089	2,036	2,046	2,092
22 Kensington and Chelsea	157.7	-2.4	153.9	0.6	154.8	1.6	157.3	88,590	1,780	1,737	1,747	1,775
23 Kingston upon Thames	123.1	-1.5	121.3	-0.9	120.2	1.8	122.4	66,592	1,849	1,822	1,805	1,838
24 Lambeth	284.6	-1.8	279.5	1.0	282.4	2.5	289.6	139,478	2,040	2,004	2,025	2,076
25 Lewisham	243.2	-1.1	240.6	0.6	242.0	2.1	247.1	125,059	1,945	1,924	1,935	1,976
26 Merton	139.7	-1.4	137.8	0.3	138.3	2.4	141.6	83,737	1,669	1,646	1,651	1,690
27 Newham	251.7	-1.6	247.5	0.7	249.3	2.2	254.9	111,182	2,264	2,226	2,242	2,292
28 Redbridge	181.4	-1.7	178.4	1.9	181.8	3.0	187.2	102,849	1,764	1,735	1,768	1,820
29 Richmond upon Thames	153.2	-1.5	150.8	-0.5	150.0	-0.1	149.9	83,820	1,827	1,799	1,790	1,789
30 Southwark	281.0	-2.5	274.0	0.6	275.6	2.1	281.4	134,799	2,084	2,032	2,044	2,088
31 Sutton	148.9	-1.5	146.7	0.1	146.8	2.6	150.5	81,900	1,818	1,791	1,792	1,838
32 Thurrock	111.6	-0.6	110.9	1.2	112.2	2.7	115.2	66,437	1,679	1,669	1,689	1,734
33 Tower Hamlets	276.5	-2.5	269.6	0.0	269.5	2.4	275.9	124,298	2,224	2,169	2,168	2,220
34 Waltham Forest	201.0	-0.2	200.5	2.1	204.6	3.5	211.7	102,779	1,955	1,950	1,991	2,060
35 Wandsworth	178.5	-0.7	177.2	0.5	178.1	2.5	182.5	141,691	1,260	1,251	1,257	1,288
36 Westminster	203.0	-3.5	195.9	0.2	196.3	1.6	199.3	124,932	1,625	1,568	1,571	1,596
Average		**-1.4**		**0.7**		**2.5**						

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Additional Review of Charging within Lee Valley Regional Park Authority Car Parks

Introduction

With continuing pressure on public funding and the feedback that officers have received from Members while looking at the Authority's levy strategy through the budget and levy strategy working groups it was agreed to take a fresh look at car parking charges (first highlighted in the addendum to the Revenue Budget and Levy report (paper E/434/16 January 2016). The objective was to explore the option of expanding the number of car parks where car park charges could be introduced sooner rather than later. This report highlights the opportunities and potential challenges that introducing charges to these additional car parks may bring.

Background

The Lee Valley Regional Park Act 1966 (the Park Act) permits the Authority to charge for its car parks and/or to make arrangements or agreements with others to do so on its behalf.

The Authority currently has two car parks, Broxbourne Riverside and Myddelton House, where charges are made for parking. Since 2011 the Authority has had an agreement with Broxbourne Borough Council (BBC) who run and manage Broxbourne Riverside and who have used their local authority powers to obtain a Traffic Regulation Order for that car park. The Authority currently receives income in the region of £33k per annum. The car park at Myddelton House is managed in-house by the gardeners and this has provided income of £20k per annum.

For information, Lee Valley Leisure Trust Limited (trading as Vibrant Partnerships - the Trust) have also implemented parking charges at the Ice Centre, VeloPark and Hockey and Tennis Centre car parks, this is managed by a two different private companies.

In addition to the two Authority car parks highlighted above Members approved the introduction of car parking charges to four additional car parks in the Revenue Budget and Levy report (paper E/434/16 January 2016) which were approved by Authority (paper A/4222/16). Three car parks are located within Broxbourne Borough Council (BBC) (Turnford, Cheshunt and Pindar) and one in Epping Forest District Council (EFDC) (Waltham Abbey Gardens). It is intended that both councils will operate and manage the car parks as part of their own car parking operation. At present, and for a number of administrative reasons, the charges for these car parks have been delayed. It is the intention of both councils that these car parks will be fully operational for 1st April 2017 but this is also partly dependent on an agreement for their operation being entered into between the parties.

It is the intention for the local councils to run and manage these car parks as already mentioned, but the implementation has proved challenging to get these established and operational. Therefore officers are recommending that if progress in establishing the original four car parks has not progressed by the end of February 2017 then officers have the freedom to explore other options and include any further approved car parks in the scheme.

Review

Following the Levy Strategy Working Group and at Members request officers have carried out a further review of car park charging to see if charges could be introduced at any of the other Authority owned car parks. This review is to take into account the increased and additional stretch income target of £70,000 over and above the original target of £40,000 to be generated by car parking charges in 2016/17.

In line with the original report officers are recommending that charges are not implemented at the closed fisheries car parks due to their size and location, i.e. behind locked gates, due to the fact that the anglers are already charged via their permit or licence fee. This recommendation following review remains the same.

Officers are also recommending the exclusion of remote and small car parks where the amount of income generated would be less than the management and enforcement costs and would not make the business case for those particular car parks viable.

Therefore the following car parks which remain are to be considered:

- car parks that support a 3rd party that we already receive income from;
- car parks where the introduction of a charge may force our visitor's cars into close or adjacent car parks that are currently free, or on to unrestricted streets where there is no (or limited) controlled parking.

Table 1 shows the car parks under review. These car parks are shown pinpointed with a circle/square coloured yellow/green on the attached plan.

Reason	Car Park
Car Parks servicing a 3rd party	Boat Centre
	Old Mill & Meadows
	Dobbs Weir
	Rye House Stadium
	Tottenham Marshes
	Pickett's Lock
	Hooks Marsh
Car Parks where alternatives are close by	Clayton Hill
	Fishers Green x 2

***Boat Centre**
Managed by the Boat Centre for its customers who are the main users of this small car park. We would be obliged to allow their users free parking which means the returns from the charging would not cover the investment and management costs.

Old Mill & Meadows
Supports two railway clubs, a café and a bike/canoe hire business, the income they generate for the Authority is £10,150.00 pa.

***Dobbs Weir**
The Authority does not own this car park but leases it from Roydon Parish Council. The Fish & Eels Public House pays the Authority to allow its patrons the use of this car park, so it already generates a worthwhile income which would be put at risk if charges were applied.

***Rye House Stadium**
Used by the stadium to support its activities, any charges might see a reduction in the usage of this venue. We currently receive £59,500 pa from the stadium operators.

Tottenham Marshes
Used by visitors to the marsh and supports Canal & River Trust activities around Stonebridge Lock. Canal & River Trust has already mentioned they have concerns about the negative impact these proposed charges may have on their operations.

***Pickett's Lock**
The Cinema has been consulted and they would be very opposed to the introduction of car parking charges. Ultimately though the landlord could impose this but in officers view it is

inappropriate for this out of town leisure location. As part of the agreement with the cinema we have to provide 1183 parking spaces and we currently only provide some 950 spaces. The Odeon would be in their rights to demand the full number of spaces, which they would do if we imposed car parking fees. Any income received would likely be set off against the service charges for the whole site and any surplus shared amongst the number of lessees. Therefore officers consider that introducing car parking charges here is not a financially viable option.

Hooks Marsh
The lane used to access this car park is owned and managed by the Corporation of London and they have a small car park adjacent to ours which currently can be used for free. This car park is also used by angling clubs that fish our waters and 3rd party waters due to its proximity to the water bodies. If charging is applied to this car park consideration should be given to creating a closed anglers car park to mitigate for impact on the anglers; an estimated cost of £1,000 would be required to create a small car park.

Clayton Hill
A locally used car park, but the introduction of charges here may force cars into the neighbouring streets to avoid paying.

Fishers Green
Two large car parks and the Authority's most used car parks within the valley. The introduction of charging here may force cars into the neighbouring Hayes Hill car park. Therefore if implemented the Trust may have to introduce charging to manage the car park for their customers i.e. parking fee redeemable on payment into the farm. These car parks are also used by angling clubs that fish our waters and 3rd party waters due to the proximity to the water bodies. If charging is applied to these car parks consideration should be given to creating a closed anglers car park to mitigate for impact on the anglers; an estimated cost of £5,000 would be required to create this small car park.

* Officers have excluded the car parks marked with an * above from the income projections as it is recommended that charges are not applied to these car parks for the reasons highlighted above.

Car Park	2017/18	2017/18	2017/18
Broxbourne Old Mill (60 spaces)	£13,100	£7,600	£3,800
Clayton Hill (30 spaces)	£6,500	£3,800	£1,900
Fishers Green (70 spaces)	£15,200	£8,800	£4,400
Hooks Marsh (50 spaces)	£10,900	£6,300	£3,150
Gunpowder Park (52 spaces)	£11,300	£6,600	£3,300
Tottenham Marshes (60 spaces)	£13,100	£7,600	£3,800
Totals (322)	**£70,100**	**£40,700**	**£20,350**

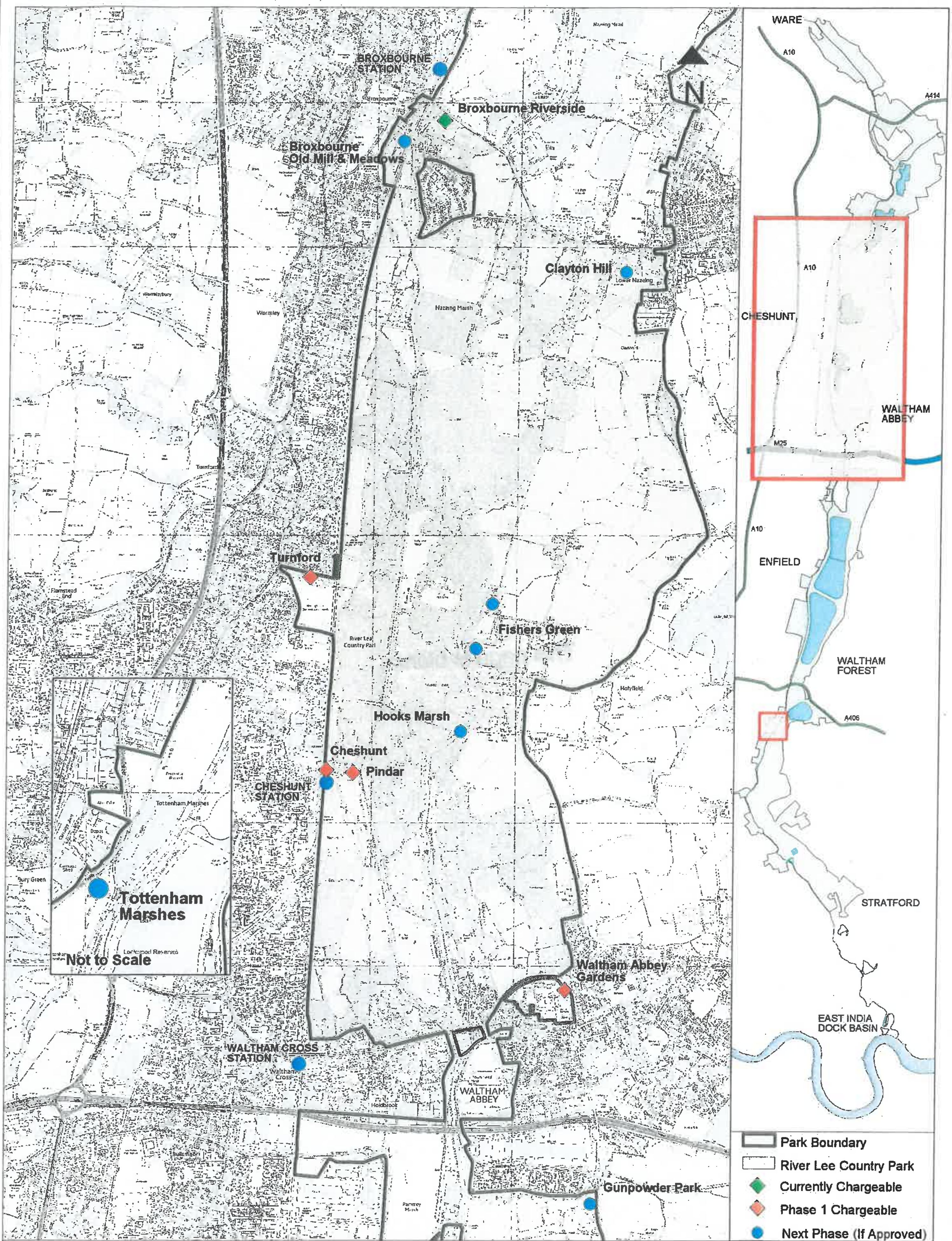
The table above outlines the potential income that could be achieved from a stretch target of £70k. The middle amount is based on the Broxbourne Riverside income and the minimum is based on an assumed reduction of usage and/or delayed implementation.

Members also need to be mindful that the installation costs of equipment and management will need to be accounted for in the first year before any income is realised. Equipment and installation costs are yet to be identified from the councils and will have a bearing on first year income yields.

In the approved report Revenue Budget and Levy (paper E/434/16 January 2016) which was subsequently approved by Authority (paper A/4222/16), it was agreed that charging was to follow the pricing and timing of each council which would mean that the EFDC car parks for example would be free at weekends and bank holidays and in BBC they would be free on Sunday and bank holidays. Officers are asking that Members agree that officers have flexibility to work with the various councils on all agreed car parks including those from the original paper to select the appropriate times that charges are applied to ensure viability taking into account associated costs.

Financial and Risk implications

Risks of achieving income in the first year have been broadly outlined in this paper and may also result in negative publicity as well as an increase in complaints from Park users. This alongside the implementation risks identified means the stretch target is challenging. If approved, this will be monitored as part of the quarterly revenue monitoring reports received by Executive and Scrutiny Committees. Benchmarking with other local authorities suggests that once introduced car parking charges do in the medium term establish a consistent level of budgeted income.



Lee Valley Regional Park Authority

Proposed Car Park Charges

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Lee Valley Regional Park Authority **LEE VALLEY REGIONAL PARK AUTHORITY** **AUTHORITY MEETING** **19 JANUARY 2017 AT 14:00**	**Agenda Item No:** **7** **Report No:** **A/4235/17**

NATIONAL SCHEME FOR AUDITOR APPOINTMENTS

Presented by the Director of Finance & Resources

SUMMARY

It is a requirement for the external auditor for the audit of accounts 2018/19 to be appointed before the end of 2017. Public authorities have a choice about how to make the appointment when the existing scheme for public appointments ends; either they can arrange the procurement for their own appointment or they can opt into the national scheme run by Public Sector Audit Appointments.

RECOMMENDATION

Members Approve: (1) to opt into the scheme.

BACKGROUND

1 Public Sector Audit Appointments (PSAA) are a not-for-profit company established by the Local Government Association (LGA). They administer the current audit contracts let by the Audit Commission before it closed. They have the support of the LGA, which has worked to secure the option for principal local government and police bodies to appoint auditors through a dedicated sector-led national procurement body.

2 PSAA have been specified by the Secretary of State for Communities and Local Government as the appointing person for principal local government bodies. This means that they can make auditor appointments to principal local government bodies that choose to opt into the national appointment arrangements which will operate for audits of the accounts from 2018/19.

3 Alternatively the Authority could choose to appoint its own external auditor through a procurement exercise.

BENEFITS OF OPTING IN

4 PSAA intend to run the scheme in a way that will save time and resources for local government bodies through a collective procurement, carried out on behalf of all opted-in authorities, enabling them to secure the best prices without compromising on audit quality. Their current experience means they

have a unique experience and understanding of auditor procurement and the local public audit market.

Opting in will avoid the need for Lee Valley Regional Park Authority to:

- establish an audit panel with independent members;
- manage our own auditor procurement and cover its costs;
- monitor the independence of the appointed auditor for the duration of the appointment;
- deal with the replacement of any auditor if required; and
- manage the contract with the auditor.

The scheme will try to be flexible about changing auditors during the five-year appointing period if there is good reason, for example where new joint working arrangements are put in place.

Securing a high level of acceptances from authorities to the opt-in invitation by PSAA will provide the best opportunity to achieve the most competitive prices from audit firms. The LGA has previously sought expressions of interest in the appointing person arrangements and received positive responses from over 270 relevant authorities.

5 The Local Audit and Accountability Act 2014 provides that firms must be registered as local public auditors with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of registered firms' work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC), under arrangements set out in the Act.

6 PSAA will:

- only contract with audit firms that have a proven track record in undertaking public audit work;
- include obligations in relation to maintaining and continuously improving quality in their contract terms;
- ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any quality concerns are detected at an early stage; and
- take a close interest in any feedback and in the rigour and effectiveness of firms' own quality assurance arrangements.

PROCUREMENT STRATEGY

7 In order to secure the best prices PSAA intend to let audit contracts:

- for 5 years;
- in 2 large contract areas nationally, with 3 or 4 contract lots per area, depending on the number of bodies that opt in; and
- to a number of firms in each contract area to help manage independence issues.

The value of each contract will depend on the prices bid, with the firms offering the best value being awarded larger amounts of work. By having contracts with a number of firms, PSAA will be able to manage issues of independence and avoid dominance of the market by one or two firms. Limiting the national volume of work available to any one firm will encourage competition and ensure the plurality of provision.

AUDITOR APPOINTMENTS AND INDEPENDENCE

8 Auditors must be independent of the bodies they audit, to enable them to carry out their work with objectivity and credibility, and in a way that commands public confidence. PSAA will ensure that every auditor appointment passes this test. They will also monitor significant proposals for auditors to carry out consultancy or other non-audit work, to protect the independence of auditor appointments.

PSAA will consult the Authority on the appointment of its auditor from September 2017. Auditor appointments for the audit of the accounts of the 2018/19 financial year must be made by 31 December 2017.

FEE SCALES

9 PSAA will ensure that fee levels are carefully managed by securing competitive prices from firms and by minimising their own costs. Any surplus funds will be returned to scheme members under their articles of association and the memorandum of understanding with the Department for Communities and Local Government and the LGA.

The costs for setting up and managing the scheme will need to be covered by audit fees. PSAA expect annual operating costs will be lower than the current costs because they expect to employ a smaller team to manage the scheme.

PSAA will pool scheme costs and charge fees to audited bodies in accordance with a fair scale of fees which has regard to size, complexity and audit risk, most likely as evidenced by audit fees for 2016/17.

Pooling means that everyone in the scheme will benefit from the most competitive prices. Fees will reflect the number of scheme participants – the greater the level of participation, the better the value represented by the scale fees.

Scale fees will be determined by the prices achieved in the auditor procurement that PSAA will undertake during the early part of 2017. Contracts are likely to be awarded at the end of June 2017 and at this point the overall cost and therefore the level of fees required will be clear. PSAA expect to consult on the proposed scale of fees in autumn 2017 and to publish the fees applicable for 2018/19 in March 2018.

TIMETABLE

10 The closing date for opting into the National Scheme with PSAA is 9 March

2017. A full list of authorities who opt in will be published on PSAA's website.

• Invitation to opt in issued	27 October 2016
• Closing date for notices to opt in	9 March 2017
• Contract notice published	20 February 2017
• Award audit contracts	By end of June 2017
• Consult on/make auditor appointments	By end of December 2017
• Consult on and publish scale fees	By end of March 2018

ENVIRONMENTAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

12 There are no financial implications arising directly from the recommendations in this report. Currently the Authority pays an annual fee of £18,619, a sum that has remained the same since 2013/14. If fees remain in line with that charged previously the Authority is looking at a total five year contract of circa £90K.

HUMAN RESOURCE IMPLICATIONS

13 The use of a third party to source and manage the external audit contract will mean the Authority is not committing internal resources to carry out this task.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

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

EQUALITY IMPLICATIONS

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

Author: Simon Sheldon, 01992 709859, ssheldon@leevalleypark.org.uk

ABBREVIATIONS

LGA	Local Government Association
PSAA	Public Sector Audit Appointments
FRC	Financial Reporting Council
RSB	Recognised Supervisory Body

Lee Valley Regional Park Authority **LEE VALLEY REGIONAL PARK AUTHORITY** **AUTHORITY MEETING** **19 JANUARY 2017 AT 14:00**	**Agenda Item No:** 8 **Report No:** **A/4237/17**

DRAFT CORPORATE LAND AND PROPERTY STRATEGY

Presented by the Director of Corporate Services

SUMMARY

Following a number of separate acquisitions the Land & Property Review Working Group was established at the Executive Committee meeting on 17 December 2015. The aim of the Working Group was to review the Authority's approach to acquisition and disposal and with the intention of adopting a Land and Property Strategy. The intention was to provide a more strategic framework broadly based on how the Authority has been operating to-date with regard to acquisition and disposal together with an opportunity to look at areas of land that are no longer delivering benefit for the Authority in fulfilling its statutory purpose within the Regional Park. The Land & Property Review Working Group together with the officer group has met on a number of occasions throughout the year and has also undertaken a visit to a number of sites. This report provides an overview of its work to date and puts forward a draft Corporate Land and Property Strategy which was approved by Executive Committee on 15 December 2016 (paper E/474/16) with a recommendation to the Authority to adopt the proposed draft Corporate Land and Property Strategy.

RECOMMENDATION

Members approve: (1) the proposed Corporate Land and Property Strategy attached as Appendix A to this report.

BACKGROUND

1 The terms of reference for the Land & Property Review Working Group (Working Group) were approved as follows:

- To review the land and property portfolio in support of delivery of the Authority's statutory remit and overall objectives
- To review adopted land acquisition policies
- Develop a land and property acquisition/disposal strategy within the parameters of the Lee Valley Regional Park Act 1966 (the Park Act)

2 The aim of the Working Group was to review the Authority's approach to acquisition and disposal and to consider a new approach with the development of a Corporate Land and Property Strategy. In addition to the above and the

need to consider raising capital, it is an opportunity to look at sites which are not delivering benefit for the Regional Park. The disposal of properties may also reduce revenue costs as maintenance obligations for some areas of land would be reduced. On the other side acquisition of land in most cases would increase revenue costs for the maintenance and management of the land.

3 The Authority has generally adopted a safe and traditional approach for any disposals based on Counsel's opinion that has been received over time and independent advice has been taken prior to any disposal of land. More recent advice has explored a more flexible approach, in particular, to disposal. This has the potential for raising capital from disposal for enabling development and/or opportunity for enhancement of existing open space and/or opening of currently closed land within the Regional Park.

LEE VALLEY REGIONAL PARK ACT 1966 (THE PARK ACT)

4 Section 12(1) *It shall be the duty of the Authority to develop, improve, preserve and manage or to procure or arrange for the development, improvement, preservation and management of the park as a place for the occupation of leisure, recreation, sport, games or amusements or any similar activity, for the provision of nature reserves and for the provision and enjoyment of entertainments of any kind.*

"the park" is the Lee Valley Regional Park as defined ……by the Park Act.

5 Section 14(1) requires the Authority to prepare a plan following consultation with local authorities and statutory bodies showing proposals for future use and development of the Regional Park. The Authority has its adopted Park Plan 2000 which is being reviewed through the Park Development Framework (PDF). All these documents are read together and form a suite of documents for the purposes of the section 14 Park Plan.

6 The PDF included a Sustainability Appraisal (SA) as part of its methodology from the outset. This was used as it is broader than a Strategic Environmental Assessment which has a focus on impacts on the natural environment. A SA accounts for the Regional Park's location in an urban context.

7 The Authority has powers under section 15 of the Park Act to **acquire land** *….."whether within or without the park, which they may require for the purpose of or in connection with any of their functions".* and

under section 21(1)(a) to **dispose of land** *….." the Authority may sell any land for the time being belonging to or held by them which is not required for the purposes of any of their functions" .*

8 It should be noted that Local Authorities already have broad powers and flexibility for both acquisition and disposal and a remit that encompasses development for housing together with the Government agenda to support and empower local authorities to dispose of assets that could be made surplus and put to more productive use. Whilst the Authority's remit and powers are different, the Authority is still empowered to make decisions to both acquire and dispose of land for the purposes of its statutory duty under section 12 of the Park Act.

THE AUTHORITY'S ESTATE

9 The Authority's estate comprises circa 1,760 hectares (4,350 acres) out of the 4,000 hectares (10,000 acres) Regional Park. It comprises a diversity of landscapes rich in biodiversity and includes 14 venues managed by the leisure trust, Lee Valley Leisure Trust Limited, trading as Vibrant Partnerships (the Trust).

10 Much of this land is constrained by a range of factors which can be summarised under 4 headings:

- its location is in the flood plain of the River Lea;
- land law – a series of covenants which seek to restrict the purposes for which land can be used;
- planning designations, principally Green Belt and Metropolitan Open Land; and
- biodiversity and ecological values - the Regional Park contains 8 Sites of Special Scientific Interest (SSSI), falls within a Special Protection Area, is recognised under the Ramsar Convention and is covered by other local designations.

11 Development of the Authority's estate has been determined largely by expediency, reflecting opportunities and threats to its role in specific projects over the last 50 years. It should be noted that the Authority has added to its estate by acquisition circa 283 hectares (700 acres) from 2000 to 2016.

THE IMPORTANCE OF LAND AND PROPERTY TO THE REGIONAL PARK

12 Land and property support the Regional Park by providing operational assets which contribute to delivery of its statutory objectives of providing regeneration opportunities. It is not a requirement of the Park Act that the Authority needs to own land to fulfil its statutory duties, but it puts it in a stronger strategic position as custodian of the Regional Park. Land ownership is considered to be more important to the Authority than a National Park due to the fact that the Authority has limited planning powers. This being the case ownership is the ultimate control of uses of land within the Regional Park, which the Authority has a duty to "improve and preserve".

13 The Authority's adopted Park Plan (2000) identifies a series of strategic policies designed to protect the 'land resource' of the Regional Park for Park purposes. These include Policies L1-4. Essentially they seek to maintain and protect the openness of the Regional Park, safeguard the whole land resource and ensure that land is used in a manner 'that will best achieve the purpose of the Regional Park'. Other policies flow directly from this including the detailed adopted area proposals and those now adopted in the PDF.

14 The Authority's property portfolio should where possible contribute to income opportunity from investment and therefore potentially reduce demands on the council tax payer via the levy.

15 It is considered timely in the current economic climate within the public sector for the Authority to consider its land and property portfolio. This is consistent with the approach of other public bodies who themselves are receiving less funding. Whilst the Authority has powers to levy the contributing authorities the pressure

on public funds is understood and the Authority as a responsible public body is considering a Land and Property Strategy which will enable it to invest in development within the Regional Park, but it is also reasonable for it to consider a reduction to the levy from the contributing authorities.

CURRENT POSITION ON ACQUISITION AND DISPOSAL

16 Land/property has been acquired over a considerable period of time and for a variety of reasons. Following its creation under the Park Act the Authority inherited or was gifted land/property from the local authorities of Essex, Hertfordshire and London, who together promoted the Park Act in order to protect the green lung and create the Regional Park.

17 The Authority has then itself continued to purchase land over its 50 year history for a number of reasons, such as responding to threat or opportunity, often to secure public access or provide facilities for the public, or to protect the land from other non-Park Act compliant uses. It should be noted that as the Authority is not a Local Planning Authority the most effective way of protecting land from other uses is to acquire it. The prime role has always been for public enjoyment of the Regional Park as a whole and with the statutory remit of the Authority in the forefront securing natural heritage, environmental protection or for an operational need.

18 The Authority has also occasionally disposed of land where it has reached the decision that it is no longer required for Regional Park purposes or under threat of a compulsory purchase order. Due to the size of its estate there have also been rare occasions where the Authority has lost land through adverse possession.

19 There has been no consistent strategy for acquisition or disposal although there have been a couple of long-term policies which still exist to acquire land in particular areas. In these cases the Authority has often acquired disjointed small plots associated in the area which make no contribution to the current Business Plan objectives, but in the hope that a long-term aspiration under its PDF will be realised.

20 It should be noted that it is not a requirement of the Park Act that there is a strategy for acquisition or disposal. Authority Members must always take decisions under section 21 which take into account the circumstances and all relevant information available to Members at the time. Due regard should be given to the strategy which will be a helpful tool in understanding the Authority's intention and direction of travel, but it will not be a blanket policy and discretion should always continue to be exercised in the decision making process.

ADOPTED LAND ACQUISITION POLICIES

21 The Working Group was asked to consider any adopted land acquisition policies and have established that there have been two policies which relate to acquisition of land in the Wharf Road and Carthagena area. Both these areas of land have been reviewed and the Working Group considered these in the context of what plots have been purchased by the Authority so far and what remains to be acquired and whether the Authority should continue to purchase these areas of land in the future. The Working Group has asked officers to carry out some further work in relation to the Carthagena area and Wharf Road and this will be brought back in a separate report for consideration by the Executive

Committee.

PROGRESS OF THE LAND AND PROPERTY REVIEW WORKING GROUP

22 The Working Group has met on a number of occasions throughout the year and during this time has reviewed the land/property work already undertaken by officers covering the whole of the Regional Park, including the aspirational areas identified for potential acquisition as well as those areas identified for potential disposal. Members have also considered a summary of recent Counsel advice which was given verbally in a conference session in Autumn 2015 which is referred to later in this report.

23 The Working Group has reviewed land purchases over the last 10-15 years and considered the historic acquisition policies for Wharf Road and the Carthagena estate and those findings relating to the existing policies are set out later in this report.

24 The Working Group then reviewed in detail the potential areas of land not required for Regional Park purposes and undertook a site visit covering those areas of land that were less familiar to ensure they had a good understanding on the ground of the sites in question and the relationship with the surrounding area within the Regional Park.

25 Overall the Working Group has reviewed the Authority's approach to acquisition and disposal to consider a fresh approach with the development of a proposed Corporate Land and Property Strategy. The purpose and aims of the proposed strategy are set out below.

DEVELOPING A CORPORATE LAND AND PROPERTY STRATEGY

Purpose of a Corporate Land and Property Strategy

26 A Corporate Land and Property Strategy is required for the following reasons:

- for the Authority to manage and develop its estate in the optimum manner;
- to ensure the Authority can continue to deliver and enhance a financially viable Regional Park for the future;
- to enable the Authority to open up more of the Regional Park for public access;
- for the active management of land holdings to enable sustainable usage;
- to identify land which is no longer required for Regional Park purposes which will then provide for:
    - o new development leading to investment to enhance the Regional Park;
    - o acquisition (where appropriate) of parcels of land which are considered to be strategically important.

Aims of a Corporate Land and Property Strategy

27 The new Corporate Land and Property Strategy will enable transformation of the

Regional Park so that by 2027 it will:

- rationalise the Authority's estate for re-investment in development/ improvement in other areas of the Regional Park to ensure sufficient resources for a sustainable Regional Park;

- maximise revenue received from property assets within the context of delivering the primary statutory functions;

- increase the number of hectares of open space that is accessible by the public over the next 10 years in line with the disposal timeline (see paragraph 29) as these improvements will require funding by disposals.

28 The Authority currently controls 1,760 hectares (4,350 acres) which are largely open to the public and it is the intention to increase the area open to public access subject to available resources to accommodate the aspiration of the Authority to increase visitor numbers to 7m by 2018.

29 Income from property is currently circa £1.3m per annum. The Authority will aim to continue to increase income in the next 10 years. Examples of potential income opportunities are:

- car park charging;
- concessionary catering; and
- unused buildings/areas of land.

30 The Working Group has identified broadly areas of land for potential disposal which could be considered as land not required for Regional Park purposes as it does not contribute financially and/or has limited or no legitimate public access. It is recognised that the majority of this land falls within Green Belt or Metropolitan Open Land designations. To secure disposal for non-Regional Park related development will require negotiation with local planning authorities and representation through the Local Plan process. This will take time and will depend on the progress of each authority's local plan, their willingness to accept the Authority's case and the approach of the Planning Inspectorate to agree to the release of land from these designations. We will aim to dispose of these parcels of land over the next 10 years when market conditions are appropriate to ensure best capital receipt or revenue income depending on the individual circumstances at the time. These capital receipts and/or revenue income could then be used to enable the development of built facilities and/or develop areas of the Regional Park that may have limited current use and/or be closed to the public.

31 The Working Group has identified areas of land for potential acquisition (where the opportunity arises) within the Regional Park where they will enhance/benefit the Regional Park. These fall within 2 categories:

- Priority 1 (290ha (714 acres)) where purchase is important in furtherance of the Authority statutory purpose and business objectives; and

- Priority 2 (540ha (1,337 acres)) where land is less important but desirable if sufficient funding were available.

32 Other sites within the Regional Park remain undesignated but were considered

relatively protected as owned by partner organisations who are committed to similar aims and purpose.

33 The Authority will aim to acquire as many of these Priority 1 acquisitions if an opportunity arises for purchase and where practicable over the next 10 years subject to available resources at the time and utilise capital receipts acquired from the disposal of land above.

Major investment decisions of private owners on land adjacent to or within the Regional Park

34 The consequences of new investment by third parties in land adjacent or within the Regional Park may require a review of how the Authority should use its land and assets on sites which may be immediately affected. In certain circumstances it may be prudent for the Authority to respond to such changes.

ADVICE ON INTERPRETATION OF THE PARK ACT IN DEVELOPING A CORPORATE LAND AND PROPERTY STRATEGY

35 The Authority has generally adopted a safe and traditional approach for any disposals based on Counsel's opinion (in relation to interpretation of the Park Act) that has been received over time.

36 A conference with two leading Counsel was attended by the Chairman, Vice Chairman and senior officers in late September 2015 to explore interpretation of the Park Act and consider again advice previously received in relation to land disposal in particular. There have also been a couple of separate conference sessions with Counsel on the planning position and our current Park Plan position which is considered later in this report. It should be noted that the advice from Counsel on these areas to date has been verbal and quite general. We would need to obtain written legal advice as necessary when we wish to look at specific areas of land. As set out in other parts of the report each decision of the Authority on disposal would at the time it was taken consider the individual areas of land and the circumstances at the time of the decision.

37 Recent written advice in relation to disposal suggests there can be a degree of flexibility in the interpretation of section 21 which is a departure from previous advice. Counsel considers that the Authority could dispose of land not required for one of its functions to fund future development of other areas or parts of the Regional Park and/or to achieve environmental enhancements within the Regional Park. It is also possible that a disposal could in some circumstances generate an income. This is most likely in a long lease situation for commercial or industrial uses, as is currently the case of the Odeon Cinema at Picketts Lock or Three Mills Studio, where the Authority receives a rental income stream from a commercial lease arrangement.

38 Counsel was also asked to consider the wording of the draft Corporate Land and Property Strategy and if he wished to propose any amendments. Counsel approved the draft Strategy in its current form.

PLANNING CONTEXT

38 The Authority has a planning role which comprises two distinct functions. The first is that of statutory consultee and the second is its duty to prepare a plan of proposals for the development and management of the Regional Park. The

adopted proposals included in the Park Plan (2000) and the PDF were written within the scope of section 12 of the Park Act.

39 As referred at paragraph 10 of this report almost all of the sites identified by the Working Group are designated as Metropolitan Open Land or Green Belt. Where the riparian boroughs are undertaking reviews of their local plan or looking for areas of land through the 'call for sites' process then there is an opportunity for the Authority to respond in relation to the sites that it has identified for potential disposal.

40 The Authority has proposals for all areas of land within the Regional Park and has adopted a number of detailed proposals as part of its PDF process between East India Dock Basin and the M25 motorway. Those area proposals that remain in draft form for areas to the north of the M25 can be re-considered by the PDF Panel in light of adoption of this strategy.

Implications for the Authority's Park Development Framework and role as a statutory planning consultee

41 If the strategy is adopted, there will be a need for a review of the Authority's adopted strategic policies and its adopted and emerging area proposals in the PDF. Work has already been commissioned to review the Authority's adopted strategic policies within the Park Plan to accommodate the implications of this strategy. This review will be accompanied by a SA which will include a Strategic Environmental Assessment in line with the Town and Country Planning (Environmental Assessment) Regulations 2004. Counsel considers that sites identified for full or part disposal could be included in Area Proposals.

42 Applications for planning permission for non-Park related development submitted on land identified as Green Belt or Metropolitan Open Land may still have to include an Environmental Impact Assessment or Phase 1 ecological survey. If the Authority is seeking de-designation as part of the local plan review process sites would be included by the local planning authority in its sustainability assessment.

43 The absence of an up to date PDF does not prevent the Authority making decisions relating to land whether by way of disposal or acquisition as these will be taken based on the facts and circumstances at the time of the decision and will take into account the Authority's planning position and the current status of the PDF in relation to any particular area. Work should commence on revised area proposals as soon as possible which will then complete the Authority's amended proposals for areas within the Regional Park and form part of the section 14 Park Plan.

CORPORATE LAND AND PROPERTY STRATEGY 2017 TO 2027

44 Taking into account all of the above the Executive Committee has considered the draft Corporate Land and Property Strategy which is set out in Appendix A to this report. The draft strategy sets out clearly the reasons why the Authority will retain a property portfolio and where acquisition and disposal will be considered. If the strategy is adopted by Authority then it is recommended that the Working Group continues to oversee the implementation work but all decisions relating to either acquisition or disposal will be taken by the Executive Committee or the Authority as appropriate.

45 Work has been carried out on a Corporate Asset Management Plan (CAMP) and it is important to link the Corporate Land and Property Strategy to that Plan which is connected more directly to the business objectives. The intention is for the Working Group to review the CAMP updating as necessary to ensure it flows from the adopted strategy with a separate report then returning to the Executive Committee proposing adoption of the CAMP.

ENVIRONMENTAL IMPLICATIONS

46 The adoption of the strategy will potentially have important environmental considerations for defined areas of the Regional Park. These will be assessed when decisions on the future of specific sites are considered.

FINANCIAL IMPLICATIONS

47 There are no financial implications arising directly from the recommendations in this report. The Authority has just retained consultants to review the strategic policies of the PDF at a cost of £75,000. Depending on the size and scale of specific sites released for development the Authority may have to engage consultants to advise on highway and environmental matters which will be required to support applications for outline planning permission required in advance of any disposal. Resources for work pertaining to land disposal should be set against any potential land sale receipt.

HUMAN RESOURCE IMPLICATIONS

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

LEGAL IMPLICATIONS

49 These are dealt with in the body of the report.

RISK MANAGEMENT IMPLICATIONS

50 The Authority shifting its position on the potential development of residential housing or other development for non-Park purposes within the Regional Park from its current position needs to be balanced throughout the whole of the Regional Park and not just relate to areas of land that are within the Authority's ownership. As set out above a fresh look at the proposals under the PDF will be required to establish the Authority's revised position. Failure to address these issues in a reasonable timeframe may have an impact on the Authority's reputation and/or credibility in the planning process going forward. This does not prevent the Authority taking certain strategic decisions if it needs to do so ahead of completing the review process.

EQUALITY IMPLICATIONS

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

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APPENDIX ATTACHED

Appendix A	Corporate Land and Property Strategy

LIST OF ABBREVIATIONS

the Park Act	Lee Valley Regional Park Act 1966
PDF	Park Development Framework
Working Group	Land & Property Review Working Group
Ha	Hectares
the Trust	Lee Valley Leisure Trust Ltd (trading as Vibrant Partnerships)
CAMP	Corporate Asset Management Plan
SA	Sustainability Appraisal
SSSI	Sites of Special Scientific Interest

PREVIOUS COMMITTEE REPORTS

Executive Committee	E 474 16	Land & Property Review Working Group – Draft Corporate Land & Property Strategy	15 Dec 2016

CORPORATE LAND AND PROPERTY STRATEGY 2017 to 2027

The Authority will retain a Property[1] portfolio that complies with the requirements of the Lee Valley Regional Park Act 1966 (the Park Act) and delivers its business objectives:

- fulfils the Authority's statutory duty under section 12 of the Park Act and 'contributes positively to the image or role of the Park'[2] ;

- supports the Authority's Vision for the Regional Park as a World Class Destination;

- each Property exhibits at least one of four characteristics:
  - it meets its statutory purpose which would be jeopardised in the event of a disposal;
  - it fulfils an operational need;
  - it generates a reasonable net income and/or has potential for capital growth;
  - the Authority is best placed to maximise the potential of the Property for the benefit of the vision of the Lee Valley Regional Park.

- **Acquisition:** will be considered where opportunity arises and purchase is deemed appropriate to achieve the delivery of statutory purpose and business objectives but will be subject to available resources.

- **Disposal: a decision** to dispose of land can be taken where the Authority considers, taking all of the relevant circumstances into consideration **"at the time"** that the **land** is **"not required for the purposes of any of its functions".** The Authority will seek where possible to retain freehold ownership.

Use of funds derived from part or full disposal

The disposal of land for non-Park purposes is likely to be preceded by the negotiation of planning permission for a non-Park related use. This may be contrary to adopted policies. It will be important that the application identifies how monies realised could be re-invested in the Regional Park. This approach helps distinguish between the Authority and third parties who may wish to develop their land within the Regional Park for private gain and without any significant benefit to the Regional Park. This could involve Authority led projects where disposal is integral to the delivery of new investment in the parklands or venues. Such projects may require a discrete business case predicated on the realisation of value.

Exchange of Land in furtherance of the Authority's aims

Acquisition and disposal can also be considered where it allows for opportunities for an exchange of land with other owners of land within the Regional Park boundary. The Authority can acquire land outside the Regional Park boundary to allow it to exchange land for the purpose of, or in connection with, any of its functions.

[1] Property includes land and buildings
[2] Park Plan 2000 page 29