

<b>Subject:</b>	<b>Public Realm Task &amp; Finish Group – Leisure and Green Spaces Briefing</b>
<b>Prepared by:</b>	<b>Ian Holland (Head of Leisure and Green Spaces)</b>
<b>Date:</b>	<b>21 October 2015</b>

## **1. Introduction**

- 1.1 As outlined to Members at the initial meeting of the Public Realm Task and Finish Group, the Leisure and Green Spaces Service is part of the Health and Wellbeing Division and is responsible for three main areas of delivery: Leisure (through a partnership with Greenwich Leisure Limited that commenced in 2009 for a term of 15 years), Parks and Green Spaces and Sports and Physical Activity.
- 1.2 This paper sets out proposals for how savings might be achieved from the Service for 2016/17 and onwards.

## **2. Delivering Savings for 2016/17**

- 2.1 It is anticipated that all savings from the Leisure and Green Spaces Service in 2016/17 will come from a renegotiation of the Leisure Management Contract (LMC) with Greenwich Leisure Limited (GLL).
- 2.2 At this stage no savings targets have been set for Parks and Green Spaces Service for 2016/17, given the Service is already reliant on additional corporate funding and has significant pressure on its existing resources. However, given the nature of most of the savings options being explored for 2017/18 and beyond (see Section 3 below), work will need to commence on them quickly (if agreed) as they are likely to require a longer lead-in time to deliver.

## **3. Delivering Savings for 2017/18 and Onwards**

- 3.1 Based on the renegotiation of the LMC being agreed, the ability to deliver further savings from the contract after 2016/17 will be minimal, unless more fundamental changes are made to provision. Therefore savings will require to be found from the Parks and Green Spaces Service. The following options are currently being considered to deliver these:

### **a) Community Management**

There could be an opportunity for some of the smaller green spaces currently maintained by the Council to be transferred to community management / maintenance. However, the number of spaces is likely to be small, unlikely to generate a significant saving (as funding will still be required for the community groups), still require some maintenance tasks to be undertaken by the Council and the sustainability of this model is questionable as it is often initially reliant on a small core group of enthusiastic volunteers, who often fall away over time and are not replaced. It is also worth noting that there has been little or no interest to explore this option from our most active User Groups, who generally want to undertake occasional and focussed maintenance tasks in their sites.

### **b) Income Generation**

There is certainly an opportunity to exploit more income generating opportunities in parks and green spaces. The main areas where opportunities are likely to exist are:

- **Advertising and Sponsorship**

The Council is regularly approached about advertising and sponsorship opportunities in parks and green spaces. Given that this is not an area that has been exploited by the Council before, it is difficult to predict the level of income that it might generate. However, it is anticipated that if an advertising / sponsorship company was appointed (on commission) to proactively seek advertising / sponsorship for parks and green spaces activities, banner sites, bedding, buildings, displays, events and installations that an income of £30,000 p.a. could be achieved.

- **Concessions**

There are a number of sites / buildings in parks and green spaces that could accommodate a financially viable temporary or permanent catering concession to generate income and provide an enhanced service to users. This may require some initial investment from the Council but could generate an income of approximately £30,000 p.a. depending on the number of sites that are taken forward. In addition, introducing ice cream concessions to some of the main parks and green spaces could also achieve a regular income of £15,000 p.a.

The sites that could be considered are as follows (although ultimately the market will determine what is attractive / viable):

Site	Catering	Ice Cream	Markets
Clissold Park <sup>1</sup>			✓
Hackney Downs	✓	✓	
Hackney Road Recreation Ground			✓
Haggerston Park	✓	✓	
Hoxton Square	✓		
London Fields	✓	✓	
Mark Street Gardens			✓
Millfields	✓		✓
Shoreditch Park	✓	✓	
Springfield Park <sup>1</sup>		✓	
Stonebridge Gardens	✓		
Windsor Terrace	✓		

<sup>1</sup>Clissold Park and Springfield Park already provide a catering offer that generates income for the Council

- **Corporate Events**

There could be an opportunity to hire out parks and green spaces (in part or in whole), particularly in the south of the borough, for corporate events / functions (the main opportunity being for Xmas parties). If a space was licenced to a corporate events company for the period from late November to Xmas then there is the possibility of achieving an income of approximately £50,000 p.a. based on similar examples from other authorities.

- **Events**

In 2014/15 77 events were held in parks and green spaces, achieving an income of £104,000. To date in 2015/16 129 events have been held in parks and green spaces securing an income of £129,400. This income is broken down as follows: Community Events (£17,600); Commercial Events including the Half Marathon (£54,000); Corporate Event Days (£12,500); and Funfairs (£45,300). This level of income compares with Haringey and Tower Hamlets who both achieve over £1m income from events in their parks and green spaces.

At present the majority of the events that are held in parks and green spaces are community events (89 so far in 2015/16), and whilst important, they generate a limited amount of income and also require a disproportionate amount of work from the Events Team.

To generate further income from events the following options could be considered:

- **Administration Charge:** At present there is no cost associated with someone submitting an event application, until their event is approved. Unfortunately this means that applications are often submitted with limited thought and consideration, and subsequently withdrawn when a significant amount of Officer time has already been invested in progressing them through the application process. To address this it is proposed to introduce an administration charge of £65 that will be paid on submission of the application. Whilst this won't generate a great deal of income it will hopefully deter applications being submitted without due thought and reduce the amount of Officer time spent on abortive applications.
- **Community Events (excluding Park User Group events):** At present community events have an extremely low charge (see below), even if they are of reasonable size and require significant support from the Events Team. It is therefore proposed to reduce the price of smaller community events, but increase the price of events with larger attendance (the suggested new charge would be £0.25 per head plus an additional fee for set-up days of 25% of the event day fee). This would allow greater cost recovery for larger community events and also enable smaller events to take place more easily. As an example the following table sets out the impact of the suggestions (excluding administration charge):

<b>Event Size</b>	<b>Current Event Day Charge (£)</b>	<b>Proposed Event Day Charge (£)</b>
150	79	37.50
400	115.50	100
5,000	869	1,250

- **Commercial Events:** Holding more large commercial events in parks and green spaces is one option for delivering increased income. With the exception of the Half Marathon, there is currently only one large annual commercial event (Found in Haggerston Park – 7,500 attendance on a single day) held in parks and green spaces. Whilst the fee for each event would be negotiated on a case-by-case

basis, the Council could charge between £1-2 per head for an event day (with additional charges for set-up days). To give members an example this would mean that for a one day 10,000 attendee event charged at £1.00 per head it would generate an income of £10,000 for the event day and if there were four set-up days an additional sum of £10,000; so £20,000 in total.

If the Council were to progress with this option (which is consistent with the current Events Policy) we would seek to increase the total number of large commercial events to 4-5 per year in total in spaces such as Clissold Park, Haggerston Park, Hackney Downs, QEOP and Shoreditch Park. Some of this might have to be at the expense of 'community events' that are utilising significant time in parks and green spaces in the summer. Obviously this proposal would have to be balanced with the impact on the parks and residents.

- **Major Events:** Major commercial events (i.e. 40-50,000) in a park or green space can attract an income of £150-200,000 per event (although they also come with significant challenges and issues). Events of this size could only be held at Hackney Marshes, however, which is Common Land and laid out as playing pitches (cricket, football and rugby). Any proposals to deliver events of this size / scale, therefore, are almost certain to lead to a statutory approval process (with no guarantee of success) that might take up to 2 years to resolve due to the significant opposition that is likely from both user and sports groups.
- **Product Placements and Launch Events:** The Council is regularly approached about holding product placement / launch events in its parks and green spaces. Due to concerns regarding the commercialisation of sites this is not an area that has been exploited by the Council to date. It is therefore difficult to predict the level of income that it might generate if a more open and pro-active approach was adopted.

### c) Quality of Service

If savings need to be delivered then an opportunity for achieving these would be to reduce the quality / standard of service we provide (although these are likely to generate other issues and problems). Some examples of where this could be delivered are:

- **Grass Cutting**

At present the Parks and Green Spaces Service undertakes grass cutting at a frequency of 20-22 cuts a year between March and November (this excludes Hackney Marshes and other playing pitch sites that are cut to a higher frequency of 24-26 cuts a year). The number of cuts reflects a desire to maintain sites to a high standard, but is relatively high for a local authority. Some local authorities have reduced their cutting regime to 14-16 cuts per annum (or lower in certain cases) in order to deliver savings or other objectives.

Reducing the frequency of grass cutting from 20-22 to 14-16 cuts per annum in the borough's parks and green spaces would save an estimated £40,000 initially, but could lead to further savings if wider changes were also implemented. However, some of this saving is likely to be offset by increased maintenance costs / breakdowns for machinery that would have to deal with longer grass / arisings. In addition, there would also be a change to the visual aspects of each site; with grass

being left longer, more arisings when cutting takes place, and the potential for more weeds, litter and debris to accumulate in the longer grass making clearance more difficult.

▪ **Locking / Unlocking Sites**

The Service maintains 58 parks and green spaces across the borough. Of these there are a number (25 sites / 87 gates) that are locked at night and opened again in the morning:

Abney Park Cemetery	Clapton Square	Springfield Park (one gate only)
Albion Square	Clissold Park	St Johns Church Yard
Allens Gardens	De Beauvoir Square	St Leonards Garden
Aske Gardens	Hackney Marshes (car park)	St Thomas's Square
Broadway Market Green	Hackney Road Recreation Ground	Stonebridge Garden
Butterfield Green	Haggerston Park	Ufton Gardens (part one and two)
Cassland Crescent	Hoxton Square	West Hackney Recreation Ground
Charles Square	Kynaston Gardens	
Clapton Pond	Shore Gardens	

If this practice was not undertaken year round then a saving could be made in relation to staffing costs (approximately £40,000 p.a.). However, consideration would need to be given to the impact on the animals at Clissold Park and there is also the possibility that leaving sites open overnight could lead to increased vandalism / anti-social behaviour – it should also be noted that with the exception of one site (Haggerston Park) none of the above spaces are lit.

An alternative option could be to only lock the above spaces in the summer when the chances of anti-social behaviour occurring would be at its highest. This would mean that a saving of approximately £20,000 p.a. could be achieved during the winter months.

**d) Restructure the Service**

As approximately 78% of the Service's expenditure relates to staffing this is obviously where the most significant change would have to take place. Initial proposals are being developed to restructure the service, make it more flexible and to stop its reliance on corporate funding to meet the enhanced summer cleansing / summer enforcement requirements.

#### **4. Conclusion**

- 4.1 The views of the Public Realm Task & Finish Group are now sought to inform the proposals that may be taken forward for 2016/17 and 2017/18.