



Minutes

Meeting: E20 Stadium LLP Board
Date: 30 November 2022
Location: Hybrid: MS Teams / 5 Endeavour Square
Time: 10:00-12:30

Member Representatives Present:

Phil Mead (Chair, LLDC)
Gurpreet Dehal (LLDC)
Shanika Amarasekara (LLDC) – *MS Teams*
Gerry Murphy (SELH)

Attendees:

Lyn Garner, Chief Executive, LLDC
Graham Gilmore, Chief Executive, LS185 – *MS Teams*
Darren Raczkowski, Operations Director, LS185– *MS Teams (until item 10)*
Tom Gee, Chief Financial Officer, LS185 – *MS Teams (until item 10)*
Peter Swordy, Director of Health, Safety and Compliance, LS185 – *MS Teams (until item 10)*
Alan Skewis, Head of Capital Projects, LS185 – *MS Teams (until item 10)*
Gary Bell, Head of Commercial, LS185 – *MS Teams*
David Bellamy, Mayor’s Chief of Staff, GLA
Ed Stearns, Director of Marketing and Communications, LLDC
Nathan Homer, Chief Commercial Officer, E20 Stadium LLP
Richard Irish, Finance Director, LLDC
Milena Harris, Head of Legal, E20 Stadium LLP – *MS Teams (until item 10)*
Rachel Massey, LLDC (Secretariat)

Apologies:

Mark Camley, Executive Director, Park Operations and Venues, LLDC

1. Welcome and minutes of the previous meeting

- 1.1. The Chair welcomed members to the Board and noted apologies from Mark Camley.
- 1.2. The Board **APPROVED** the minutes of the previous meeting held on 27 July 2022.

2. Actions from the previous meeting and matters arising

- 2.1. The Chair noted that he had contacted the National Arenas Group and would follow up with Peter Swordy.
- 2.2. David Bellamy provided an update that the Green Bond programme was open, [REDACTED].

2.3. The Board **NOTED** the action table.

3. Health and Safety Report

3.1. Peter Swordy presented the Health and Safety report to the Board and highlighted the following:

- 3.1.1. Recruitment for a new Health and Safety Manager was underway.
- 3.1.2. There had been a number of near misses reported which were mainly behavioural such as propping doors open. It was noted that the near miss to accident ratios were low and that there may be a degree of under-reporting. The team had undertaken campaigns to remind people to report more frequently and would re-issue the poster campaign. **[Action: Peter Swordy to re-issue poster campaign about reporting H&S near misses]**
- 3.1.3. The Board asked for the near miss and accidents statistics to include the same period in the previous year to be able to see any trends. **[Action: Peter Swordy]**
- 3.1.4. A number of insurance claims have been closed by the insurers, claims management process working well. **[Action. GM to check the excess.]**
- 3.1.5. The annual fire risk assessment highlighted a number of medium and high fire safety risks. These were mostly behavioural issues rather than physical defects. All statutory audits were up to date and the local authority were about to undertake a barrier testing checks.
- 3.1.6. The team have undertaken health and safety audits with tenants focused on good practice in the management of their tenant areas. West Ham United have not yet been audited despite several attempts to find a suitable time. **[Action: GG to send a note to WHU about this and give them a timescale to respond.]**
- 3.1.7. The Board congratulated the team on completing the summer seating transition project safely and on time.

3.2. The Board **NOTED** the Health and Safety Report.

4. CEO Report

4.1. Graham Gilmore presented the CEO Report to the Board. The following points were highlighted during discussion:

- 4.1.1. **Operations:** WingFest and the Halal food festival were successfully held over the summer, with useful learnings for future set ups. The West Stand was successfully signed off on 5 August 2022. The Board congratulated the team for the 10 year anniversary event hosted in conjunction with LLDC.
- 4.1.2. **Westfield licence renewal:** discussions were ongoing on operational matters around how to manage crowds on event days as part of the periodic licence renewal process.
- 4.1.3. **Fan behaviour:** national data showed there had been a deterioration in behaviour during the 2021/22 season. It was noted that West Ham had the

highest number of arrests in the Premier League in 2021/22, which was in part due to the focus of stewarding to report poor behaviour.

- 4.1.4. **Football events:** The death of HM Queen Elizabeth II was announced shortly before the European fixture against FSCB. Stakeholders worked together to agree the game should go ahead and both home and away fans were respectful. The Anderlecht game was extremely challenging and Anderlecht has since been fined. The Board noted their thanks for responding to these difficult situations.
- 4.1.5. **Summer events:** two concerts had been announced. UKA ticket sales were going well. MLB pre-sales start shortly. Hospitality packages would also go on sale for summer events.
- 4.1.6. **Commercial update:** Gary Bell noted that LS185 had reached agreement with [REDACTED]. Additional staff resources had been proposed to support future commercial activity under the budget submission.
- 4.1.7. **General:** The Board asked for a summary at the start of the report showing progress against a series of key areas and initiatives such as partnerships, energy savings which could be RAG rated so the Board to monitor progress over the year. **[Action: Graham Gilmore to consider how to present progress across key areas and update report including a simplified events calendar].**

4.2. The Board **NOTED** the CEO update.

5. Quarterly Finance Update

5.1. Tom Gee presented the Quarterly Finance Update to the Board:

- 5.1.1. Overall, there was a forecast £4.3m deficit to budget which included the previously reported increased utility costs, a delay to Stadium Naming Rights income and increased match day costs. In the quarter there had been further increases in match day costs due to poor fan behaviour. The deficit had been partially offset by [REDACTED].
- 5.1.2. Risks outside of the forecast included not securing a winter event, increased match day costs as a result of WHU progressing in cup competitions Opportunities included reduction in energy consumption and the potential for government support on energy costs.
- 5.1.3. It was noted that most capital projects were due to complete over the winter period and there was a contingency in the budget for any urgent health and safety projects outside of planned lifecycle works.

5.2. The Board **NOTED** the Quarterly Finance Update.

6. Stadium Capital Investment and Lifecycle projects

6.1. Alan Skewis gave the update on the E20 Group capital investment and lifecycle projects 2021/22 at the end of quarter 2 and highlighted the following:

- 6.1.1. Additional funding had been secured to deliver the Premier League K rules capital projects.
- 6.1.2. The back of house lighting project was progressing well and now due to complete in March 2023.
- 6.2. The Board **NOTED** the quarterly Capital Investment and Lifecycle update.
- 6.3. Alan Skewis presented the 2023/24 capital investment and lifecycle plan and the following points were discussed:
 - 6.3.1. £[REDACTED] of essential capital and lifecycle spend had been identified compared to a budget of £[REDACTED]. It was noted that LLDC could accommodate the [REDACTED] difference and Richard Irish would reflect the £[REDACTED] in LLDC's budget at year-end..
 - 6.3.2. In addition, there were further unbudgeted projects including several 'invest to save' sustainability projects, the roof solar membrane project, and the Bridge 1 canopy project.
 - 6.3.3. The 'invest to save' sustainability projects had the capacity to return significant revenue savings and were attractive to potential Park partners. Members agreed that these should be progressed. LLDC would have a discussion with the GLA on these projects **[Action: Richard Irish to discuss funding for the 'invest to save' sustainability projects with the GLA.]**
 - 6.3.4. David Bellamy noted that the roof solar membrane project might be able to apply for funding from the green finance initiative. Populous and Buro Happold had been appointed to work on a feasibility study, business case, planning and specification for the project and this will be brought to the Board in early 2023. **[Action: Alan Skewis]**
 - 6.3.5. Positioning the Stadium as being net zero carbon (NSC) by 2030 would be beneficial to securing naming rights. Mace have been commissioned to prepare a sustainability strategy to identify the current carbon footprint and develop a strategy to get to NZC.
 - 6.3.6. [REDACTED]
 - 6.3.7. The Stadium lifecycle model included a number of assets which will need replacing as they are nearing the end of their life and the team will be refreshing the asset plan which will help with planning and budgeting.
 - 6.3.8. c£[REDACTED] of orders will be made in Quarter 4 of 2022/23 so that equipment can be installed in time for summer 2023. The cost of these orders is due to be incurred in the 2023/24 financial year (when goods/services are received), however there may be early delivery of some items that require budget to be brought forward. **[Action: Tom Gee/Alan Skewis report back on how much was incurred in 2022/23]**
 - 6.3.9. The scheme of delegation would be circulated to Members **[Action: Rachel Massey]**
- 6.4. The Board **APPROVED** the 2023/24 capital investment and lifecycle plan.

7. E20 Group Budget 2023/24

- 7.1. Richard Irish introduced the E20 Group Budget 2023/24 report before passing to Tom Gee who highlighted the following:
- 7.1.1. The table at 3.4 set out the movement from 2022/23 forecast (not movement from 5 Year Plan 2023/24).
 - 7.1.2. There had been an adverse movement of [REDACTED] in the proposed budget from the approved 5 year plan driven primarily by increased utility costs and inflation. There was also reduction in concert income, which was offset by MLB income which was not assumed in the 5 year plan. Match day costs have increased due to rate increases and new requirements
 - 7.1.3. Risks to the budget included higher match day costs if West Ham were to progress into the quarter finals in Europe, and not achieving Stadium Naming rights income in 2023/24. There were opportunities if some of the concerts added an additional night. Members asked for the risks and opportunities to be included in a table with a RAG rating and value range. **[Action: Richard Irish and Tom Gee]**
 - 7.1.4. Officers felt the overall budget was achievable, caveating the impact of caveating inflation and utility costs.
 - 7.1.5. The commercial team would explore if there were any opportunities to [REDACTED]. **[Action: commercial team]**
 - 7.1.6. The proposed LS185 resourcing at Appendix 1 set out 10 new posts following a review of resourcing after an intense events season. The proposals aimed to build resilience across the team to manage complex stakeholder relations with West Ham and to prepare for 2023 events. [REDACTED]
- 7.2. The Board **APPROVED** the consolidated 2023/24 budget for E20 and LS185 as set out in the report, **NOTED** the key risks to the budget and **APPROVED** the resourcing proposal which forms part of the budget as set out in Appendix 1 to the report.

8. E20 2021/22 annual report and accounts

- 8.1. Richard Irish introduced the report and accounts and highlighted the following:
- 8.1.1. The financial statements for E20 and LS185 were largely complete, but there were two keys areas in the LLDC Group accounts which were still ongoing with the auditors.
 - 8.1.2. One of these related to the onerous contracts provision. Due to a technical accounting adjustment, it has been agreed with the auditors that the onerous contracts provision would be increased by £ [REDACTED] compared to the previous year's provision and this still needed to be incorporated. Subject to concluding the matter with EY, the accounts, including this change, would be published at the end of December, will include a narrative to explain the change.
 - 8.1.3. It was noted that the provision will start to be released on an annual basis which will offset losses in future years.

- 8.2. The Board **DELEGATED** the approval of the E20 2021/22 accounts and associated documents to the E20 Chair, subject to the satisfactory conclusion of outstanding matters outlined in the report. These would be circulated with a note outlining the changes.
- 8.3. The Board also **NOTED** the LS185 2021/22 audited financial statements which would be signed off by the LS185 Chair under a delegation approved by the LS185 Board.

9. AOB

- 9.1. There was no other business.

10. Sponsorship / Stadium Naming Rights Update

- 10.1. Nathan Homer presented an update and highlighted the following:
 - 10.1.1. A commercial structure with range of propositions to market had been put in place. The CRM system database was growing steadily. Enabling work with partners across the Park had been completed.
 - 10.1.2. The sales tracker is in place and an increasing number of brands have been visiting the Park. The current live tracker was shared with the meeting.
 - 10.1.3. An update was provided on positive discussions with potential partners and the constraints and challenges were discussed.
- 10.2. The Board **NOTED** the sponsorship / naming rights update.

11. Consent agenda items

- 11.1. The WHU issues log and E20 gifts and hospitality register were NOTED.

The meeting concluded at 12.50pm.