

9 May 2016

Mayor of London  
City Hall  
The Queen's Walk  
London SE1 2AA

May I start by congratulating you on your election as Mayor of London?

The LLDC Board and Executive very much look forward to working with you over the course of the next four years. As a Mayoral Development Corporation, we believe that we can work to support many of the commitments that you have made.

London 2012 was a great catalyst for regeneration plans in and around Stratford, and, as we said when we met you on the Park, we need to maintain the momentum. This formerly highly deprived part of London is morphing into a new metropolitan centre, shifting London's centre of gravity eastwards. Queen Elizabeth Olympic Park is already an established attraction for residents and visitors but our planned programmes of change will enhance its offering far beyond the current scope. We believe that we offer a vehicle through which manifesto commitments around housing, business and skills, sustainability, and arts and culture can be delivered.

Rather than send a single briefing document, we have prepared a series of annexes which accompany this letter. They set out where we are, what is planned, and options and issues going forward. The aim is to provide a pack on which to base discussions with you and your team about opportunities and priorities - and of course challenges.

First is an overview of your Manifesto and how our current plans match and can meet your aspirations.

Second is a substantive document on housing. You are aware that we already have plans for over 24,000 new homes in our MDC area, with 6,800 homes in five new neighbourhoods on LLDC land by 2031, which will include a high proportion of family homes, employment space, and good social infrastructure. For homes on LLDC land our affordable housing target is an aspiration of 31% and a minimum of 20%, within which 30% would comprise social rent, 30% affordable rent, and 40% arrangements such as shared ownership and shared equity. As this reflects previous policy it does not of course meet your future target of 50% affordable housing. The annex details each site, with opportunities identified, as a basis for further discussion.

Work has already begun on the first two neighbourhoods on the Park, Chobham Manor (which you visited) and East Wick and Sweetwater, where my Board has already brought plans forward six years ahead of the original anticipated timescale.

There are opportunities in the next two major residential developments, Pudding Mill and Rick Roberts Way, for which planning is currently less advanced. It could be possible to accelerate delivery of these by several years, bringing work forward on site to 2020. I am again conscious that you may want us further to challenge that start date, but there are practical site constraints that will limit how far we can go. We could increase the proportion of affordable housing, and we

could stretch their planned densities. These options are explored in the annex. There are of course implications for upfront costs and capital receipts. We can also discuss the residential element within the new culture and education district.

Third is an annex on the proposed Culture and Education District (which has been informally known as Olympicopolis). The arrival in east London of world-class cultural institutions - the Victoria and Albert Museum and Sadler's Wells - alongside the University of the Arts, London and a new campus for University College, London, will clearly be transformational. We need to knit this new activity into the existing infrastructure. Although the development of the new culture and education district will not be complete until 2020 onwards, the institutions have already begun to collaborate extensively with the local communities including local arts and culture organisations, and to carry out engagement activities with local schools.

This of course links with your commitments to stimulate business growth and skills, where significant new office space at Here East, the former Press and Broadcast Centre for the Games, and The International Quarter will contribute to your ambitions around business growth, the preservation of commercial space, and support for small businesses and start-ups. You saw Loughborough University's first batch of students – some from the local community under bursary schemes that we support. University College, London and the University of the Arts, London will also of course deliver training and skills. Overall, over 40,000 new jobs will be created in our area. With external partners we are exploring tech development and open data, building on our Smart Park programme. And we will look into expanding our broadband infrastructure beyond the Park to support business communities in surrounding areas.

The fourth annex is a briefing on the stadium. It has amazing potential to be the focus of a wide range of sporting and other activity, but as we finalise transformation works and the stadium becomes fully operational for the first time there are still challenges over capital costs and future running costs. It has of course been a political issue in which the media has taken a close interest. The leadership of the principal tenants – West Ham United – is highly demanding.

Fifth is an annex on our long term business plan. We have a very constructive working relationship with your officials, and, of course, our planning has to be approved annually by the Mayor.

Although there is no specific annex, sustainability is the last policy issue I would mention. This is another positive story. The Park has been designated as a European Smart Sustainable District, with all developments meeting your ambitions for low carbon usage and alternative fuels, energy efficiency, and waste reduction. Queen Elizabeth Olympic Park could be a cornerstone of your objective to designate London as the first 'National Park City', with 45 hectares of biodiverse habitat contained in the Park, thousands of new trees, attractive walking routes, and high quality recreation areas designed around the natural environment. We are already exploring where we could further enhance our sustainability credentials, focusing on extended use of solar power, community energy activities, and low carbon transport.

Finally, I would like to discuss with you your priorities for the future structure of the LLDC, its relationship with you and your office, its relationship with the neighbouring authorities (where we have good relationships with the local Mayors and Leaders), and the Board itself. The previous administration renewed all Board members - with the exception of the four Mayors and Leaders who are on the Board ex officio under the Localism Act - until the end of 2016. Given the length of the appointment process you may want to reach an early view on future composition.

With many congratulations again, David Goldstone and I look forward to discussing these exciting opportunities with you in the near future.

David Edmonds CBE  
Chairman

# Delivering Your Manifesto Pledges

May 2016



# BUILDING FUTURE LONDON



## HOUSING

**55,000**  
people living on  
the Park by 2031

- 24,000 homes built in Mayoral Development Area by 2031, of which 35% are affordable
- 10,000 homes on the Park, of which 31% are affordable



## JOBS

**40,000**  
jobs on and around  
Park by 2025

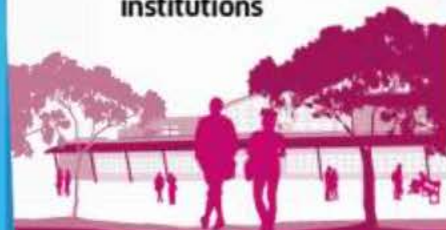
- 5,300 at Here East
- 25,000 at The International Quarter
- 2,000 in construction
- 3,000 through Olympicopolis
- 4,000 in neighbourhoods



## CULTURE & EDUCATION DISTRICT

**£3bn**  
return to local  
economy

- £1.3bn investment in new cultural and education quarter
- 3,000 jobs
- 1.5 million visitors
- World-renowned institutions



## VENUES

**125 MILLION**  
visitors by 2031

- Five legendary 2012 Games venues
- Major events
  - Rugby World Cup 2015
  - IAAF World Athletics Championships 2017
  - UCI Track Cycling World Championships 2016
  - LEN European Aquatics Championships 2016



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Business, prosperity and  
opportunity

Skills for Londoners

# Your manifesto commitments: our current delivery plans

## London Living Wage

- LLW paid to all direct employees of LLDC and employees of Tier 1 contractors, operators and partners working on the Park

## Support business growth

- Preserve commercial space
- Small business and start-up space

- 1.2 million sq ft of space at **Here East**
  - includes small business incubation and business development
- 4 million sq ft of workspace at **The International Quarter**
- Future phases of development at **Westfield** include 1.1 million sq ft office space
- **Employment space preserved** at Hackney Wick and Fish Island

## Skills for Londoners

- High quality apprenticeships
- Tech talent pipeline
- Gender equality
- Work opportunities for people with disabilities
- Construction academy

- Over 150 well-paid **apprenticeships** to date in construction and end use
- **Construction training** for 1300 local residents, including 120 young people
- Tech talent development at **Here East**
- 40,000 **jobs created** by 2025: targeted focus on women, disabled and BME
- Skills development and employment via partner programmes in **Culture and Education District**
- **Global Disability Innovation Hub**
  - Centre of excellence in disability **research and practice led by UCL**

## Better access to public services, including broadband infrastructure

- High quality **broadband infrastructure** across the Park as legacy of London 2012
- **Smart Park** programme trialling innovative new technologies to engage residents and visitors and to support smarter business operations

## ...but could we do more?

- We can develop fibre optic cabling off the Park, ie at Hackney Wick, Pudding Mill
- We will contribute towards the proposed new open data strategy to enable better access to public information
- We will be exploring opportunities around tech development with UCL and Loughborough
- Subject to agreement, we could publish performance on payment of London Living Wage by LLDC and Tier 1 contractors

# JOBS AND SKILLS ON THE PARK



## New opportunities

**7,000 people**

have already helped transform the Park since the London 2012 Olympic and Paralympic Games...

**40,000**  
jobs by 2025

**15,000**  
on the Park

**25,000** at The International Quarter

## Over 60 apprentices

helped transform the Park – the highest number on a single site in London in 2013



**25%** of all transformation apprentices were female



**95%** of apprentices were from the local boroughs



## Kick-starting careers

Construction training for **1,300 local residents** including 120 young people

**Over 150** apprenticeships delivered to date

**48** apprentices currently working on-site in construction, landscaping and leisure



## Employing local people



**83%**

local workforce in  
London Aquatics Centre  
and Copper Box Arena and...



**69%**

of the Park and  
Venues workforce  
are local

**Over 27%**

of all construction  
jobs have gone to  
local people



The Unity Kitchen  
café at the Timber  
Lodge trains and  
employs people  
who have learning  
difficulties



## Volunteers

**428**  
Park  
volunteers

**71%** new to volunteering  
within the last 5 years

**42%** local  
volunteers



**8,270**

hours volunteering  
between January and  
September 2015



QUEEN  
ELIZABETH  
OLYMPIC PARK



# Growth

## Westfield Stratford City



- Northern Europe's largest urban shopping mall
- 45m+ visits each year
- 1.9m sq. ft. of comparison retail, plus three hotels
- Includes Stratford International Station
- Future phases include 1.1m sq. ft. office space

## Here East



- 1.2 million square feet of space: business, technology, media, education and data
- 5,300 jobs on site, plus 2,200 more in surrounding areas
- Tenants: BT Sport, Loughborough University in London, Hackney Community College, Infinity SDC, Wayne McGregor's Studio, Advanced Propulsion Centre, High Speed Sustainable Manufacturing Institute, UCL Institute of Robotics

# Growth

## The International Quarter



- Major new employment location
- Four million square feet of workspace
- 330 new homes, a new hotel and over 50,000 square feet of shops and restaurants
- 25,000 jobs on site
- Tenants including Financial Conduct Authority and Transport for London, with more to follow

## Hackney Wick/Fish Island



- New centre to support development in Hackney Wick, Fish Island and links to Park
- Major improvement to Hackney Wick station
- Maintain distinctive character to support creative and industrial heritage
- Creative industry workspace

# Homes for Londoners

The background features a solid cyan field. In the lower right, there are overlapping geometric shapes: a dark teal triangle pointing upwards, a magenta triangle pointing downwards, and a lime green triangle pointing upwards, all overlapping each other and the cyan background.

# Your manifesto commitments: our current delivery plans

## *Pace and affordability*

- 50% of new homes to be affordable...
- ...and affordable to mean:
  - more homes for social rent
  - introduction of London Living Rent
  - part-buy, part-rent for first-time buyers



- First two Park neighbourhoods will include **28% and 30% affordable homes** (680 homes by 2023)
  - 30% social rent, 30% affordable rent (at 65% of market rate), 40% intermediate (including shared ownership and shared equity)
- Average affordable rent for Park neighbourhoods is **65% of local market rent**
  - Average weekly household income\* is £553 (Newham), £672 (Tower Hamlets)
  - one-third (London Living Rent) would be £185 per week (Newham), £224 (TH)
  - 65% of weekly local market rent\*\* is £175 (Newham), £240 (TH)
  - ... **average affordable rent for Park neighbourhoods is currently in the region of what we understand to constitute London Living Rent**
- Community Land Trust – 20 homes planned on East Wick and Sweetwater

- **More housing, quicker:** need for 50k per year
  - ensure that landowners release land for homes



- Will deliver **c5,800** homes in the planning area by **2020**
  - including **c1700** in the first two neighbourhoods on the Park
- LLDC masterplanning is **unlocking development** across the planning area

\*Median income; 2012/13 figures (GLA data)

\*\*June 2015, London Datastore; all unit sizes

# Your manifesto commitments: our current delivery plans

## *Good Development Standard*

- **First choice to Londoners** for homes built on public land



- All LLDC Development partners signed up to **Mayoral Concordat (London First)** since it was introduced

- **Rogue landlord** taskforce



- High quality **housing and estate management** is central to the contracts for all our developments – plus use of planning powers to influence quality of estate management within our planning authority boundary

- Consultation with **local people**



- Extensive consultation underpins our Local Plan and delivery strategy: **placemaking and local need** is at the heart (e.g. housing and tenure mix includes family homes to reduce transience; employment space to spread growth beyond central London; high quality social infrastructure and design)

## **However...**

The delivery strategy is **also** designed to generate capital receipts over 15 years **to repay debt to the GLA**, and our commitment to the **National Lottery**

- Minimum ████████ to repay GLA borrowing
- Minimum ████████ to repay the National Lottery in full

Any amendments to the strategy will have significant financial consequences



There is a significant opportunity to deliver more, in line with your commitments. LLDC Board is open to radical change to our plans to deliver your agenda. However, this will mean discussing our financial commitments with Government and the GLA. **See separate briefing pack on Housing Strategy.**

A greener, cleaner London

The background features a large green area on the left and top, a bright pink triangle on the right, and a blue triangle at the bottom right. The text 'A greener, cleaner London' is centered in white.

# Your manifesto commitments: our current delivery plans

## 'National Park City'

- More walking routes
- Major tree planting scheme



- **Queen Elizabeth Olympic Park, Canal Park and the Leaway**
- 45 hectares of **biodiverse habitat** established; Biodiversity Action Plan (including promoting biodiverse corridors between developments)
- **Over 100,000 perennials** planted in south of the Park
- **Green Flag status**
- Unique **play spaces** designed by expert architects, built on natural landscape

## Low carbon London

- All new developments to meet low carbon, energy efficiency and sustainability standards
- Solar energy for public buildings
- Electric charging infrastructure



- **European Smart Sustainable District**
- **Zero carbon homes** through connection to one of UK's largest District Energy Networks, use of renewable energy and carbon offset projects
- **Solar PV** on Multi-storey car park, Timberlodge Café and Podium Cafe
- 47% of Park's water demand met by **reclaimed or recycled water (2014/15)**
- 20% of car parking spaces on Park have access to **electric charging facilities**
- Responsible sourcing of **low environmental impact materials**

## Reduce waste

- Increase recycling
- Reduce the amount to landfill



- Non-hazardous **waste diverted from landfill**: 99% of construction and deconstruction waste, **98% of operational waste**
- Designing for longevity, flexibility and reuse: eg 51 tonnes of timber from temporary bridges **reused** in Park after the Games

## ...but could we do more? We are exploring:

- further solar PV opportunities (e.g. Copperbox Arena)
- a community energy pilot with Trowbridge estate
- a low carbon transport demonstrator (combining sharing economy, electric, hydrogen and automated vehicles and electric battery storage)
- creating circular economy hub with partners (HSSMI, UCL, Network Rail) across the MDC area
- new sensor technology e.g. to monitor bat activity in the Park, to monitor waste levels in the Park

# SUSTAINABILITY ON THE PARK



**A global exemplar of a sustainable district**

**First of two** European Smart, Sustainable District's chosen from 30 sites

**Water conservation**

**47%** of the Park's water demand is met by reclaimed or recycled water

**Energy and carbon**

**UK's largest** low carbon decentralised combined heat, cooling and power network in the UK

**Zero carbon** homes and achieving 62% CO2 emission reduction on site



## Sustainable modes of transport



No home more than **350m** away from a bus stop

**20%** of car parking spaces to have access to electric charging facilities



**95%** of visitors arrive by public transport, cycle, or by foot

## Waste materials

**38 community groups**

received deconstruction materials from the Park to benefit local projects



Biodiversity & ecosystem benefits

**45 hectares**

of biodiverse habitat established

A fairer and more equal city

The background features a solid cyan field. In the lower right, there are overlapping geometric shapes: a dark teal triangle pointing upwards, a magenta triangle pointing downwards, and a lime green triangle pointing upwards. These shapes create a layered, abstract composition.

# Your manifesto commitments: our current delivery plans

## Accessible to All

- Lifetime Homes Standard
- 10% wheelchair accessible



- Developed world leading **Inclusive Design Standards (IDS)**: embedded in design and operation of the Park
  - e.g. step-free access, hard-standing surfaces, regular seating, accessible Blue Badge car parking; accessible facilities in venues
- Targets **built into contracts/planning requirements** for developments
- Dedicated **Built Environment Access Panel (BEAP)** (advice on accessibility and inclusive design issues) & **Park Mobility Service**
- Design innovation e.g. new **Inter-Generation home** for larger families

## Opening up opportunities & sharing the rewards of prosperity

- Jobs for diverse communities
- London Living Wage



Within the 40,000 **jobs created** by 2025:

- Working with employers and referral agencies to create opportunities for under-represented groups
- Apprenticeship opportunities for local young people from diverse backgrounds
- **London Living Wage** paid to all direct employees of LLDC and employees of Tier 1 contractors, operators and partners working on the Park

## Challenging inequality and promoting tolerance



- Excellent **local engagement programme** with diverse communities
- Best practice approach to meeting the **Public Sector Equality Duty**

**Plus:** as part of the wide plans for the Culture and Education District, we are developing the **Global Disability Innovation Hub**, a UCL-led Centre of Excellence in disability research and practice, to be based on the Park.

## ...but could we do more?

- A strong contribution could be made to the UN Global Cities Compact through linking to existing programmes around social justice
- Subject to agreement, we could publish performance on payment of London Living Wage by LLDC and Tier 1 contractors

Making the most of arts, culture  
and creativity

The background features a vibrant, abstract design. It is composed of several overlapping geometric shapes. A large, light green shape occupies the upper left and center. A bright pink shape is positioned on the right side, overlapping the green. Below the pink shape, there is a dark red or magenta shape. At the bottom right, a bright cyan blue shape is visible. The overall composition is dynamic and colorful.

# Your manifesto commitments: our current delivery plans

## Cultural Infrastructure Plan for 2030

- Promote London's cultural riches
- Protection for London's libraries, community centres, and suburban arts venues
- Access to London's theatres, galleries and museums



- Established as a significant new London **tourist destination**
- Central role of £1.3bn **new Culture and Education District**
  - V&A, Sadler's Wells, UAL, UCL, Smithsonian
  - 1.5 million additional visitors per year
- New neighbourhoods designed to include **community centres, libraries etc**
- Use of S106 and Local Events Programme to **support local culture**
- Support for **established local institutions** e.g. Theatre Royal, Yard Theatre

## Festivals and events

- Major cultural festivals to celebrate London's religious and racial diversity
- Global sporting, cultural and artistic events



- **Major events** at the Park, including:
  - Rugby World Cup 2015
  - European Aquatic Championships 2016
  - World Athletics Championships 2017
  - Concerts, Sport Relief, Invictus Games etc
- **Free public and cultural events** – National Paralympic Day featuring Liberty, Great British Carnival, Big Lunch, Holi Festival of Colours, Harvest Stomp
- **Premiership football stadium / National Athletics Competition Centre**

**Increased involvement in sport** for more people of all ages and abilities

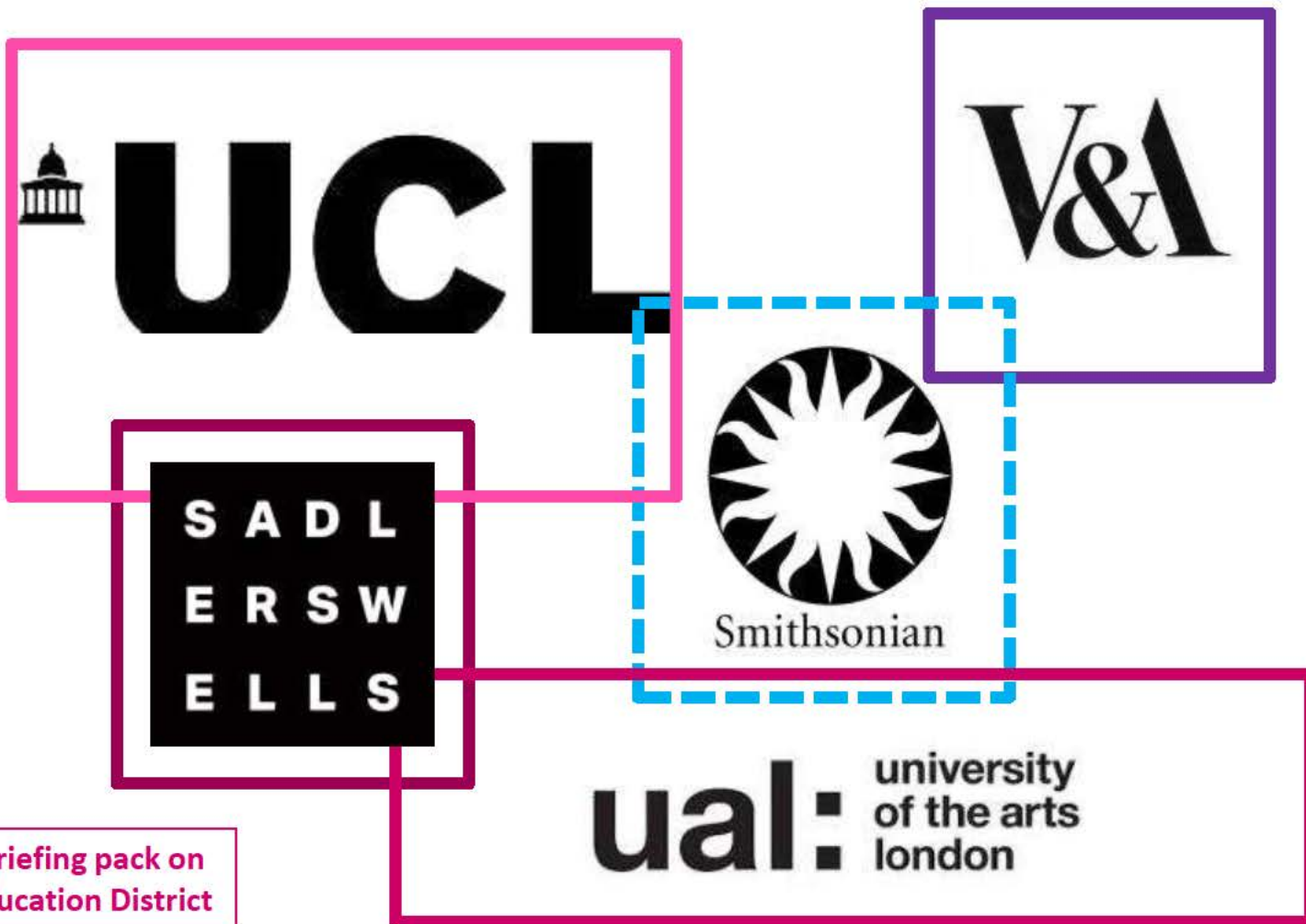


- **Active People, Active Park** - 170,000 free opportunities reaching 86,000 people since 2014 (4 x target)
- **Motivate East** – 81,000 free opportunities reaching 36,500 disabled people since 2013 (7 x target)

**PLUS:** we are working with the long term Park partners, like the West Ham Foundation and Loughborough University in London, to ensure a creative, accessible **sustainable long term focus on sports participation** on the Park, once our direct investment ends.

## ...but could we do more?

Our offer on arts, culture and sport is constantly evolving and developing. There is scope for you to shape its future direction according to your personal priorities in this area.



See separate briefing pack on Culture and Education District

**Benefits:**

- **3,000** new jobs
- New Homes: **c650**
- **£3bn** economic benefit
- Expected additional visitors: **1.5m**

**Funding:**

- £141m announced in 2014 Autumn Statement
- GLA stand behind project, including financial support through cashflow, reinvesting receipts and direct budget support
- Partners
- Fundraising via Foundation for FutureLondon

## Visitor Numbers

To date:

- 9.5 million+ visitors since the Park opened
- 1.8 million visitors at the Aquatics
- 900,000+ visitors to the Copper Box Arena

Plus:

- 5000 tickets pre-sold for ArcelorMittal Orbit Slide in first 48hrs in April 2016



# Stadium

Colossal work to transform Stadium from Games-time configuration into year-round multi-use venue:

- Create and sustain hundreds of jobs
- Home to West Ham and National Competition Centre for UK Athletics from 2016
- Naming rights to be announced

Work accelerated to enable us to stage 2015 events including:

- Morrisons Great Newham London Run
- Sainsbury's Anniversary Games
- Rugby World Cup x 5 matches
- International Rugby League
- Race of Champions

Further confirmed events:

- 2017 IPC Athletics World Championships
- 2017 IAAF World Athletics Championships

VINCI Stadiums appointed as operator to deliver multi-use venue

[See separate briefing pack on Stadium](#)



## West Ham United

- **99 year agreement**
- **West Ham contribute £15m to transformation costs**
- **Stadium remains in public ownership**
- **LB Newham to receive up to 100,000 tickets, per season, for residents**



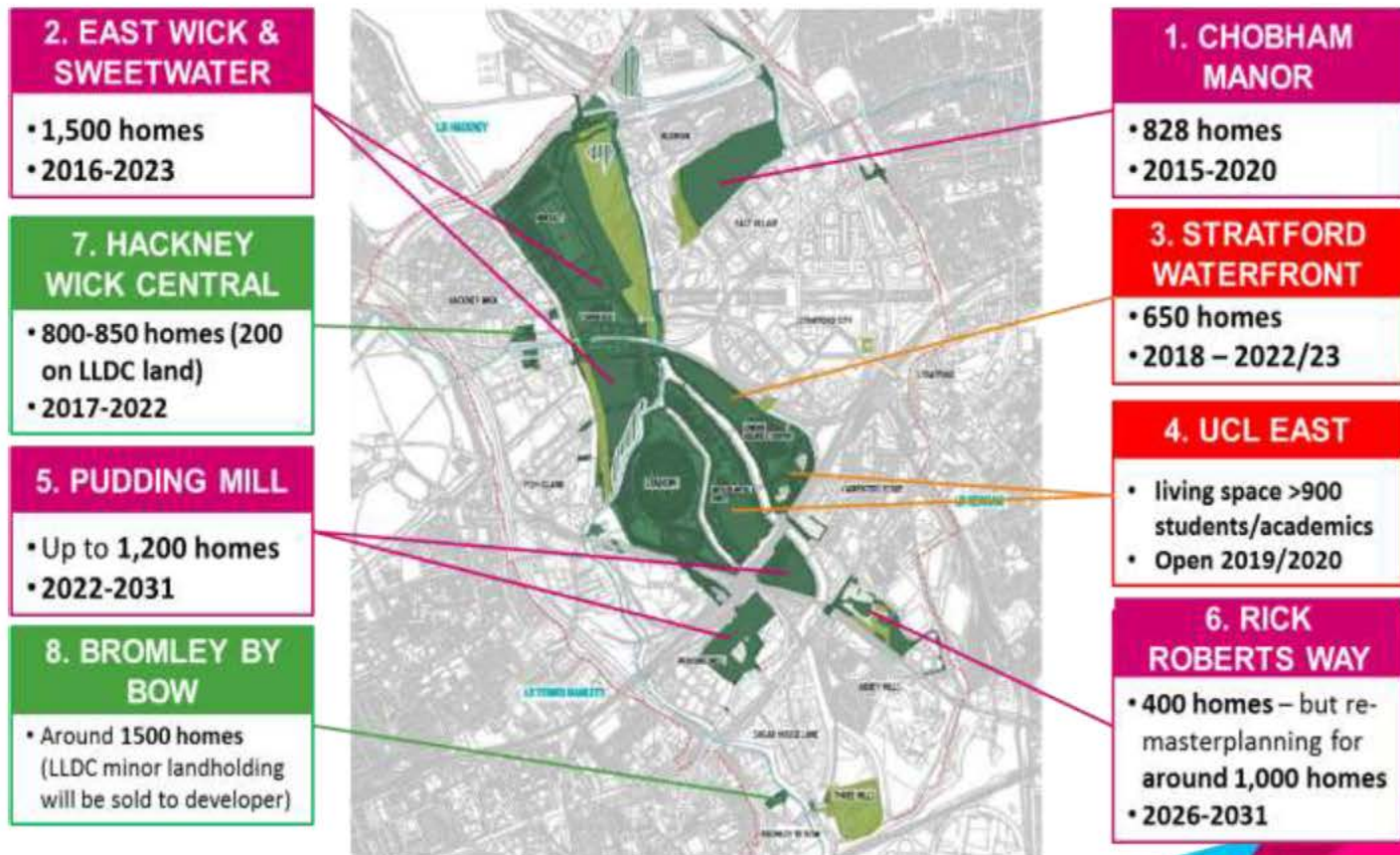


# LLDC Housing Strategy

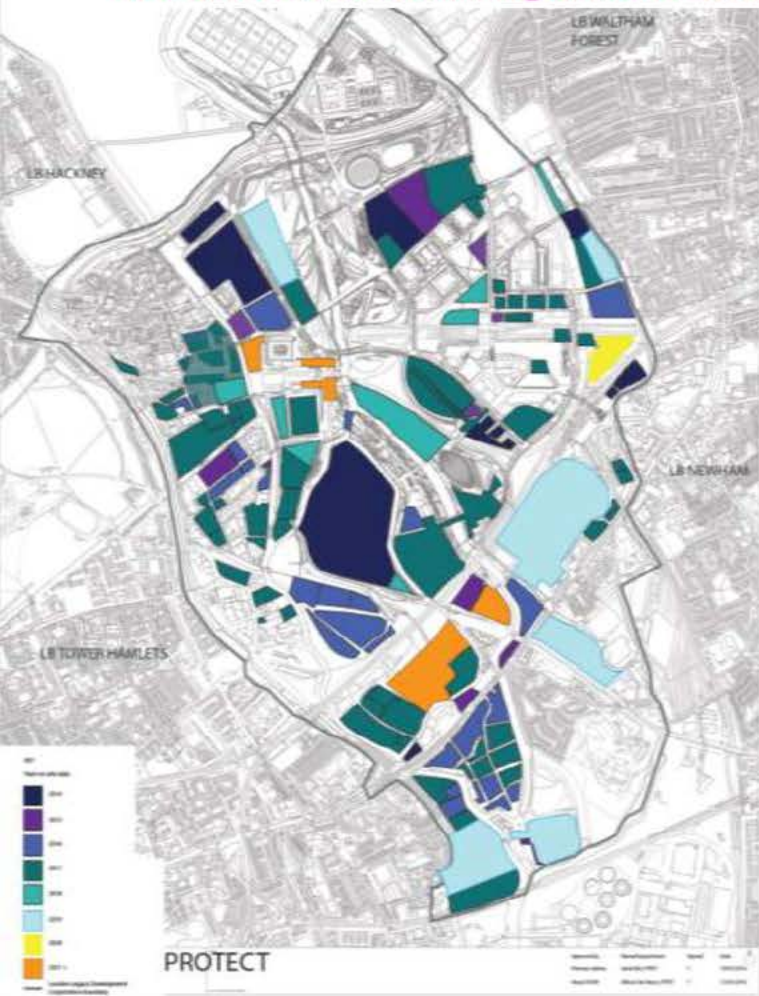


# LLDC already has plans for 6,800 homes in five new neighbourhoods on its land by 2031

- Two neighbourhoods are already in contract with developers **1 2**
- One is being planned as part of the Culture and Education District, which will also include student accommodation and academic housing at UCL East **3 4**
- Two will be developed from 2022 **5 6**
- LLDC is also facilitating housing delivery through masterplanning in two further areas where we own some land **7 8**



# We are transforming and creating new neighbourhoods across the wider area



**Up to 24,000 homes**  
in the wider MDC area by 2031  
delivered at:

- Chobham Manor
- East Wick and Sweetwater
- Stratford Waterfront
- Pudding Mill
- Hackney Wick
- Fish Island
- Stratford Town Centre
- Carpenter's Estate
- Sugar House Lane
- Bromley-by-Bow

**Target of 35% affordable housing**  
set in line with the  
**London Plan**

Delivery in excess of the London Plan target of 1,471 housing units a year, of which a minimum of 455 will be affordable

Affordable housing here means:  
60% Affordable Rent & Social Rent  
40% Intermediate in line with previous Mayor's policy

On that basis we should see:

Over 4 years

**5,900 homes, of which**  
**1,800 will be affordable**

Over 8 years

**11,800 homes, of which**  
**3,640 will be affordable**

Schemes are currently delivering more homes than predicted. If this trend were to continue we would actually deliver over 27,000 homes by 2031 (11% increase)

# Your manifesto commitments: our current delivery plans

## *Pace and affordability*

- 50% of new homes to be affordable...
- ...and affordable to mean:
  - more homes for social rent
  - introduction of London Living Rent
  - part-buy, part-rent for first-time buyers

- More housing, quicker: need for 50k per year
  - ensure that landowners release land for homes



- First two Park neighbourhoods will include 28% and 30% affordable homes (680 homes by 2023)
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  - **... average affordable rent for Park neighbourhoods is currently in the region of what we understand to constitute London Living Rent**
- Community Land Trust – 20 homes planned on East Wick and Sweetwater



- Will deliver **c5,800** homes in the planning area by **2020**
  - including **c1700** in the first two neighbourhoods on the Park
- LLDC masterplanning is **unlocking development** across the planning area

\*Median income; 2012/13 figures (GLA data)

\*\*June 2015, London Datastore; all unit sizes

# Your manifesto commitments: our current delivery plans

## *Good Development Standard*

- First choice to Londoners for homes built on public land



- All LLDC Development partners signed up to Mayoral Concordat (London First) since it was introduced

- Rogue landlord taskforce



- High quality housing and estate management is central to the contracts for all our developments – plus use of planning powers to influence quality of estate management within our planning authority boundary

- Consultation with local people



- Extensive consultation underpins our Local Plan and delivery strategy: **placemaking** and **local need** at the heart (e.g. housing and tenure mix includes family homes to reduce transience; employment space to spread growth beyond central London; high quality social infrastructure and design)

## However...

The delivery strategy is also designed to generate capital receipts over 15 years to repay debt to the GLA, and our commitment to the National Lottery

- Minimum [redacted] to repay GLA borrowing
- Minimum [redacted] to repay the National Lottery in full

Any amendments to the strategy will have significant financial consequences



There is a significant opportunity to deliver more, in line with your commitments. LLDC Board is open to radical change to our plans to deliver your agenda. However, this will mean discussing our financial commitments with Government and the GLA.

# Chobham Manor



## We are delivering...

- Around **830 homes by 2020**: first homes already occupied
- 75% family homes (3+ bedrooms) to meet local need
  - Town and mews houses; maisonettes; single flats
- **28% affordable homes** (around 230 homes)
  - 30% social rent, 30% affordable rent, 40% intermediate
- Around 600 homes for **market sale**: 2-bed £380-400k, 3-bed £500-600k, 4-bed £700-800k

## Opportunities

- We are already in contract with the developer and they are on site with Phase 1, so any changes to the pace, quantum or mix of later phases would require renegotiation
  - potentially very costly for a small number of extra homes

# East Wick and Sweetwater



## We are delivering...

- **1500 homes by 2023**
  - Development accelerated by six years in 2014
  - 53% family homes (3+ bedrooms) to meet local need
- **30% affordable homes (450 homes)**
  - 30% social rent, 30% affordable rent, 40% intermediate
- 500 homes for **private rent**
- 550 for market sale
- 20 homes in a **Community Land Trust** (options study is in progress)

## Opportunities

- Already in contract with the developer, so changes to pace, quantum or mix would require renegotiation
- Early discussions show potential for 100-250 additional homes (subject to planning)
  - could deliver either additional capital receipts or more affordable housing





# Culture and Education District Residential



## Current plans

- Formerly Marshgate Wharf – housing is now a component of the wider higher education, arts and culture development on Stratford Waterfront
- Around 650 homes in two residential towers (subject to planning)



- UCL East will include around 1100 undergraduate and postgraduate rooms

## Opportunities

- Including an affordable housing component (e.g. starter homes) would decrease the projected capital receipts
- This would mean a corresponding shortfall in funding for the Culture and Education District, which would undermine the Business Case
- The Culture and Education District will deliver major benefits to the area in other ways: **£3bn of economic benefit** to the East London economy

# Pudding Mill



## Current plans

- Planning permission for up to 1,200 homes, delivered between 2022 and 2031
- Our current financial plan assumes we will submit a revised planning application for up to **1,560 homes**
- Current financial plan also assumes **24% will be affordable homes** (in order to deliver enough capital receipts to repay debt and Lottery)

## Opportunities

- Pudding Mill offers a real opportunity to pilot and demonstrate your affordable housing policy
  - We could **accelerate** delivery – the earliest possible start on site would be **2020** due to site constraints (removal of pollution), as well as time for masterplanning and planning process
  - We could increase the **proportion of affordable** homes to the Legacy Communities Scheme (LCS) target of **43%**
  - We could stretch the density even further – to around **1,700 homes** (though there would be planning challenges)
- However, this would have significant consequences for projected capital receipts, [REDACTED] requiring discussions with GLA and Government about our commitments
- These projections are highly sensitive to market conditions

# Rick Roberts Way (jointly owned with Newham)



## Current plans

- Planning permission for up to 400 homes, delivered between 2026 and 2031
- Our current financial plan assumes we will submit a revised planning application for **up to 735 homes**
- Current financial plan also assumes only **15% will be affordable homes** (in order to deliver enough capital receipts to repay debt and Lottery)

## Opportunities

- Rick Roberts Way offers a similar opportunity to Pudding Mill – subject to agreement with Newham (shared ownership of the land)
  - We could accelerate delivery – the earliest possible start on site would be **2020** due to site constraints (adjacent gasholder decommissioning) plus masterplanning and planning process
  - We could increase the proportion of affordable homes to the Legacy Communities Scheme (LCS) target of **53%**
  - We could stretch the density even further – to around **1,000 homes** (subject to planning)
- Again, projected capital receipts would [REDACTED] requiring discussions with GLA and Government about our commitments
- These projections are highly sensitive to market conditions

## There is an opportunity to deliver more affordable homes sooner...

- For homes on LLDC land, our affordable homes target is an aspiration of 31% and a minimum of 20%
- [REDACTED]
- LLDC Board recognises a real opportunity to review planned repayment and deliver more affordable homes
- **We could commit to bring forward both Pudding Mill and Rick Roberts Way to 2020, and to increase the proportion of affordable homes significantly (close to or exceeding your 50% pledge)**
- These two sites represent 8.6 hectares out of the total of 36.2 hectares in our development platforms on the Park
- **However, this would bring with it significant financial consequences to discuss with the GLA and Government**

## ...but with some significant costs

### Capital receipts

- Combined capital receipts from Pudding Mill and Rick Roberts Way  
[REDACTED]
- This means a shortfall of around:  
[REDACTED]
- This would require discussion with the GLA and Government
- If market growth slows over 15 years, accelerating and increasing % of affordable homes would mean  
[REDACTED]

### Long-term financial sustainability

- Higher % of affordable housing means less income from the Fixed Estate Charge
- Therefore we would be unlikely to reach a point where the estate is financially sustainable without public subsidy

### Upfront costs

- Accelerating development means that the deals create less money from higher land values to pay for infrastructure
- Increased density may also mean more social infrastructure is needed.
- We would need to meet this cost gap
- LLDC would need more resources to deliver on a faster timescale (alongside Culture and Education District)

### Placemaking compromises

- More affordable housing and increased density would mean a different housing type mix (fewer town houses, more stacked maisonettes, higher blocks of flats) – more urban feel
- Different mix affects the viability for developers of the private for sale component

# Housing development in the wider area

## MANHATTAN LOFT COMPANY



- 248 homes; no on-site affordable (historic permission; off-site payment)
- c£1,000-1,100 per sq ft
- 2 bed c£844k; 3 bed c£1.5m

## CHOBHAM FARM



- 1036 homes, 17% affordable across site subject to viability reviews; phase 2 will be 35% affordable
- East Thames Housing / LCR-backed development, with Telford Homes

## TELFORD HOMES, STRATFORD CENTRAL



- 181 homes, inc. 24 (14%) intermediate affordable (plus off-site payment)
- c£700-770 per sq ft
- 2 bed c£622k, 3 bed c£764k

## EAST VILLAGE



- c 2,800 homes, 50% affordable
- 50% social rent, 17% affordable rent, 33% shared ownership/shared equity
- Average weekly rents for a 2-bed: private rent £400pw; social rent £140pw; affordable rent £248 - £291; shared ownership £575

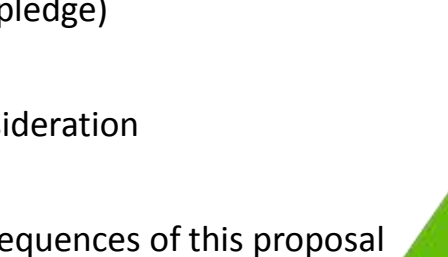
## GLASSHOUSE GARDENS



- 333 homes; affordable component is elsewhere in Stratford City development (30% affordable overall)
- £850 per sq ft:
- 2 bed = c£659k, 3 bed = £914k

Schemes are currently delivering more homes than was predicted in the Local Plan. If this trend were to continue, the target would be exceeded by around 11%, delivering over 27,000 homes instead of 24,000 by 2031.

## In summary:

- London's projected population growth will be concentrated in this part of London – the need for new homes will be particularly acute here
  - We are already delivering more homes than was predicted in the Local Plan, and have the potential to exceed our target of 24,000 homes in the wider MDC area by 11% - delivering over 27,000 homes by 2031
  - And we have already accelerated development of East Wick and Sweetwater by six years
  - We could commit to bring forward both Pudding Mill and Rick Roberts Way to 2020, and to increase the proportion of affordable homes significantly (close to or exceeding your 50% pledge)
  - We will prepare more detailed modelling and briefing to support further consideration
  - You would need to consider, and discuss with Government, the financial consequences of this proposal
- 

# Culture and Education District Briefing

May 2016

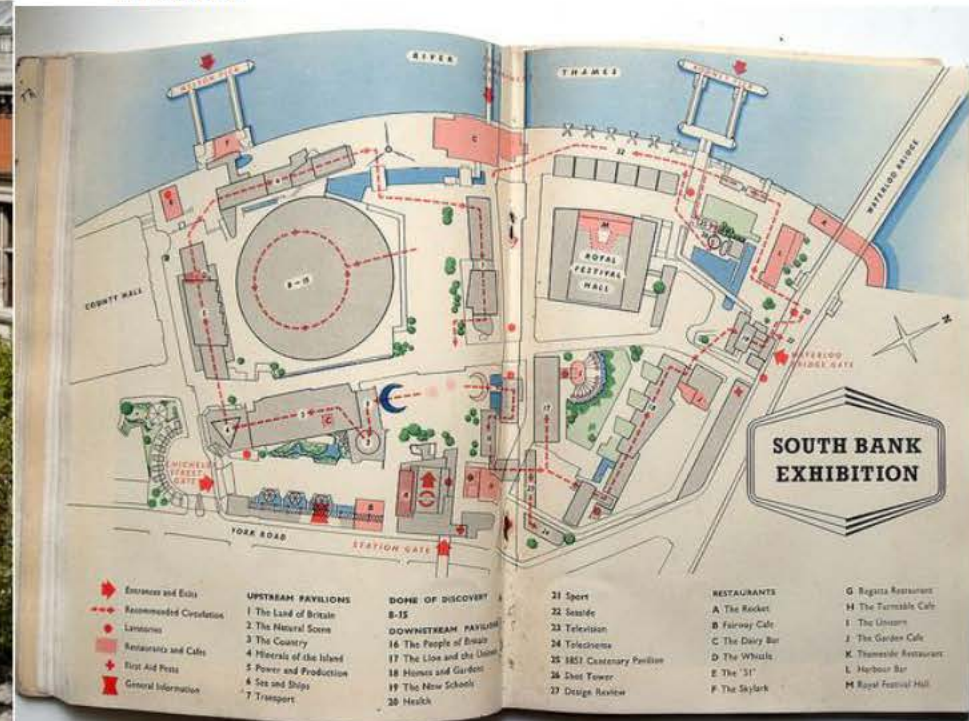


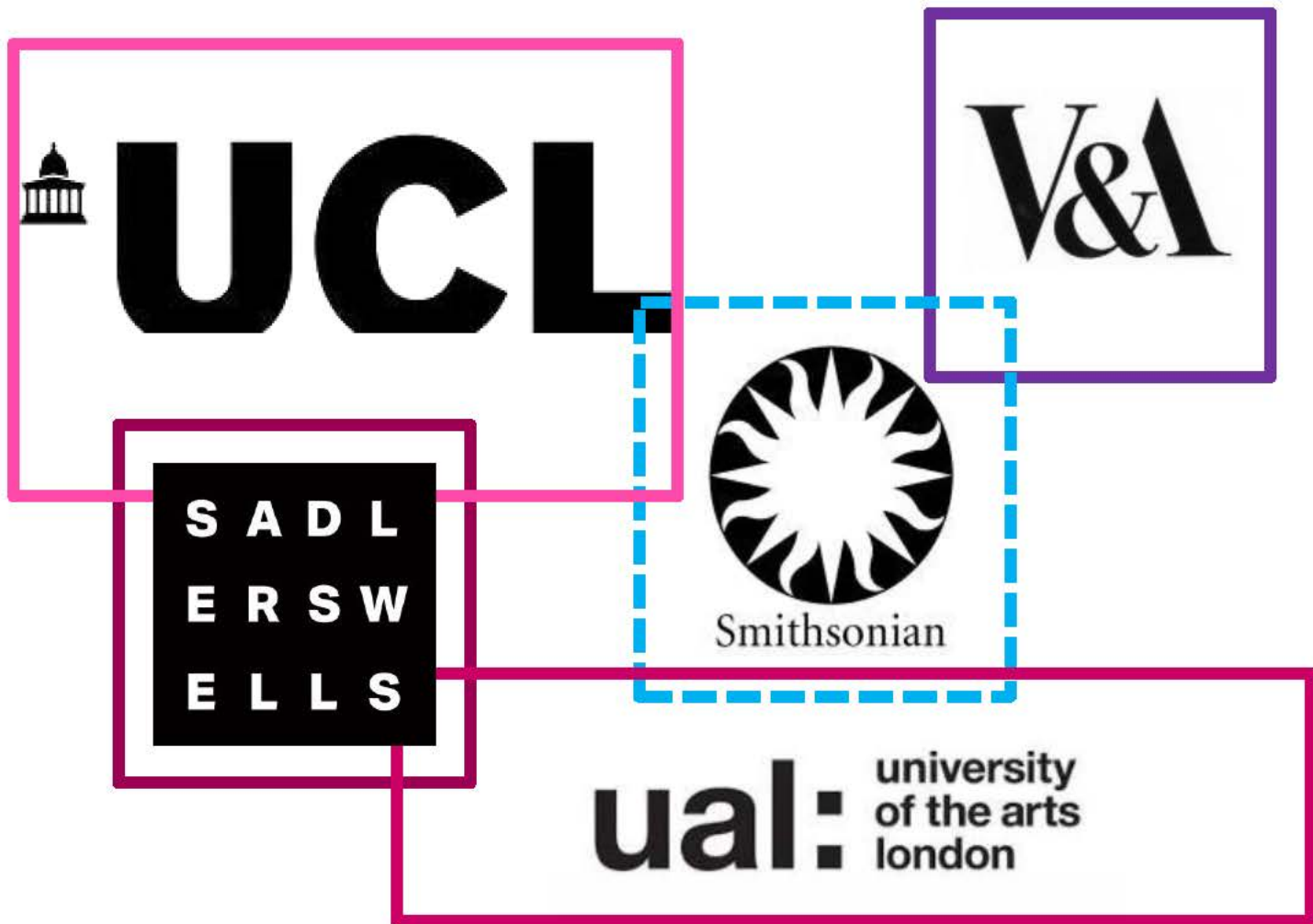




## Securing a tangible civic legacy

- **Great Exhibition (1851)** – Albertopolis/  
**Exhibition Road** (Natural History Museum, Royal Albert Hall, Imperial College London, Science Museum, Royal College of Art)
- **Festival of Britain (1951)** – South Bank, Royal Festival Hall
- **London 2012 Games** – Culture and Education District





#### Benefits:

- **3,000** new jobs
- New Homes: **c650**
- **£3bn** economic benefit
- Expected additional visitors: **1.5m**

#### Funding:

- £141m announced in 2014 Autumn Statement
- GLA stand behind project, including financial support through cashflow, reinvesting receipts and direct budget support
- Partners
- Fundraising via Foundation for FutureLondon

## Two key sites



### UCL East

- University Campus for UCL
- World-leading research, education, entrepreneurship and innovation
- Embedded in local community and business

### Stratford Waterfront

- New campus for UAL's London College of Fashion
- 600-seat theatre for Sadler's Wells
- New museum for the Victoria & Albert Museum – plus Smithsonian collaboration

# The Culture and Education District will help to deliver manifesto ambitions

Although buildings will not be complete until 2020-2022, the District will start to be realised well before that through a range of programmes that have already begun

## Your Manifesto: Business and Skills

- High quality apprenticeships
- Tech talent pipeline
- Commercial, small business, start-up space
- Work opportunities for people with disabilities



## Your Manifesto: Arts and Culture – Cultural Infrastructure Plan 2030

- Promotion of London's cultural riches
- Protection for London's suburban arts venues
- Access to London's theatres, galleries and museums

## Our delivery plan:

- New hub for skills, jobs and innovation, driving growth eastwards beyond central London: **3,000 new jobs created**, including **apprenticeships** in construction, media, creative and tech sectors

**Extensive collaborative programmes** between partners (including Loughborough in London at Here East) already thriving, for example:

- Global Disability Innovation Hub
- East London Fashion Cluster
- Digital skills programme inc. Higher and Degree-level apprenticeships
- Local skills and education: bursary scheme, schools engagement
- Developing proposals on entrepreneurship and business workspace

## Our delivery plan:

- Extending access to world-class galleries and museums beyond central London: additional 1.5m visitors per year
- Supporting east London arts venues through innovative partnerships

## Collaborative programmes:

- Arts and Culture programme: events on the Park, supporting existing local arts and culture organisations
- Local skills and education: curator programme, schools engagement
- Developing proposals on libraries and archives, creative programming

## The Strategic Objectives

**Redefine Stratford's place in London's economy as a new metropolitan centre for the capital**

**Create access to opportunities for sporting, cultural and civic participation by international, national and local visitors**

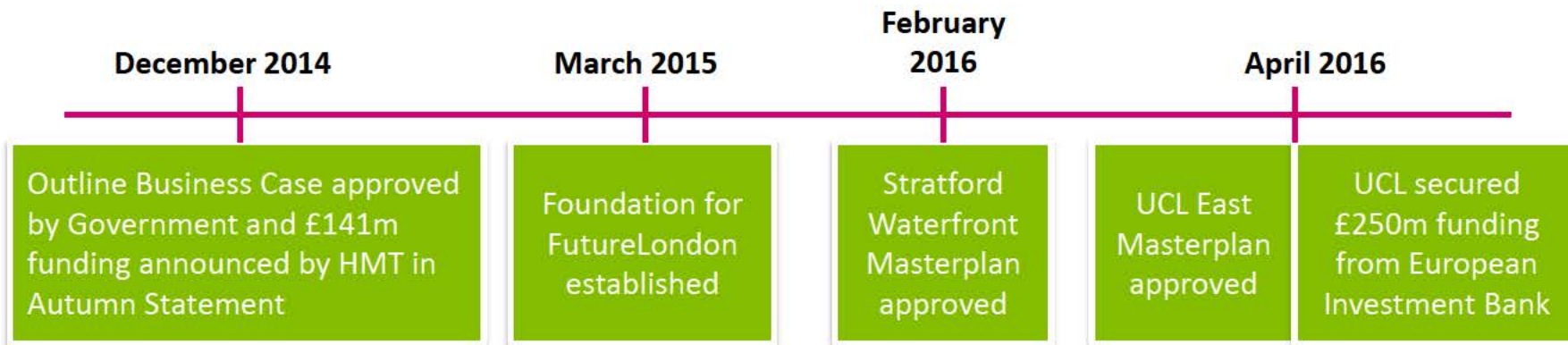
**Boost economic growth nationally**

**Enhance education and skills attainment**

**Raise local aspirations and improve external perceptions of east London**

**Create sustainable local jobs and help people from east London access jobs elsewhere**

# Timeline

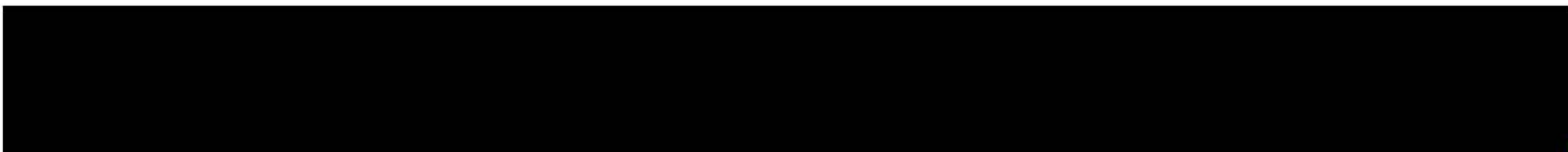


## *Future milestones:*



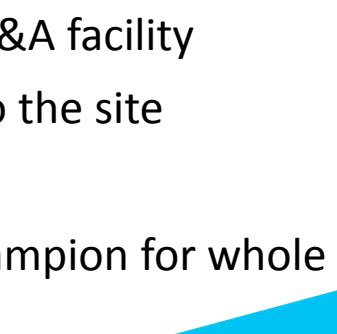
# Costs & Funding Summary

Scheme Component	LLDC/GLA/HMG Funding (£m)	Partner and private contributions (£m)	FFL Philanthropic funding (£m)	Total cost (£m)
<b>Stratford Waterfront</b>				
• University of the Arts London				
• V&A				
• Sadler's Wells Theatre				
• Museum II				
• Other (public realm, CIL, residential development etc)				
<b>UCL Campus</b>				
• Phase 1				
<b>TOTAL CAPITAL</b>				
Operating costs				
<b>TOTAL COSTS</b>				



UCL excludes Phase 2, planned to be delivered by 2035

## Challenges and Opportunities

1. Multiple partners from different sectors
  2. Multiple sources of funding and managing overall costs
  3. Complex and challenging sites for development
  4. Philanthropic fundraising target of [REDACTED]
  5. Realising residential receipts, with planning sensitivities
  6. Full Business Case approval from HMG
  7. Smithsonian now planning collaboration as part of the V&A facility
    - provides an opportunity to attract new partners onto the site
  8. Opportunity to identify a long-term brand, name and champion for whole proposal
- 



## A unique opportunity

Capitalise on east London being fastest growing part of London

£3bn of economic benefit

3,000 new jobs



Establish Stratford as a new centre for London

At heart of London's most diverse community

Transport connections to London, Europe and world

**LLDC  
Stadium  
Briefing**



## The Stadium is the centrepiece of the Park's regeneration strategy

- The Stadium was at the heart of the London 2012 Olympic and Paralympic Games
- Now being transformed
- Permanent venue with long-term future secure

### It is planned to be a world class, multi-use venue:

- attracting the best sporting and entertainment events that the national and international markets have to offer
- driving footfall to the Park, creating jobs and boosting the economic regeneration
- operating on commercial lines generating a return after initial start-up and opening

# The Legacy plans underwent significant change

## London 2012

- Designed and built by Sir Robert McAlpine and Populous
- Designs settled in 2007 before long-term usage could be secured
- Largely temporary venue
  - Roof covered only one third of seats
  - Temporary wrap (Dow Chemical Corporation)
  - Spectator facilities, hospitality, ticketing, toilets – all temporary

## Legacy plans

- Original (2007) plan reduced capacity to 25,000
- Government and Mayor decide to retain capacity and follow multi-use option in March 2010
- Commitment for both an athletics legacy, and pitch sports to make viable
- Significant impact on Post-Games:
  - re-opening time
  - transformation
  - - £272m cost announced

# Transformation 2013 - 2016: Colossal programme of work

## Roof

New roof covering all seats required:

- Significant strengthening work
- Largest roof of its kind in the world
- 45,000 sqm – twice size of original roof
- 8km steel cable net to support
- 9,900 roof panels
- 14 light paddles

## Seating

Solution needed to allow multi-use activities

- Retractable seating in lower tier
- 21,000 seat capacity
- Allows athletics use in summer and more flexible field of play
- Total capacity:
  - 60,000 – pitch sports
  - 60,000 – athletics
  - 80,000 – concerts

## Facilities

- Games-time provided as temporary overlay
- Now installed:
  - State of the art dressing rooms, medical facilities
  - 995 toilets
  - 428 wheelchair user accessible viewing spaces
  - 35 catering outlets
  - Range of full production and prep kitchens
  - 16 Executive boxes
  -

## Remaining challenges:

- Completion of work against fixed deadlines for multiple events
- Making innovative retractable seating system effective and efficient
- Securing look and feel, integrating West Ham and naming rights
- Final outturn costs to be announced once works complete

# Stadium transformation main contractors

- **Balfour Beatty:**

- Appointed in January 2014 as Tier 1 contractor for roof and other transformation works on fixed-term contract worth £153m
- Contract increased by £36m in November 2014 due to uncostered strengthening work required for roof
- Full and final settlement recently agreed

- **Alto Seating / Sapa**

- Appointed in 2015 to install retractable seating system (Alto to design and build / Sapa to provide aluminium parts)
- Alto entered liquidation summer 2015 / mutually agreed end of contract January 2016

# Sources of funding

## Funding from different sources:

- £40m: LB Newham
- £15m: West Ham United FC
- £38.7m: Games Public Sector Funding Package
- £1m: UK Athletics
- £3.5m: London Marathon Charitable Trust
- £25m: Government
- Balance from 2010 CSR settlement plus Park land sale income

# Stadium ownership and management

- **Stadium owned by E20 LLP – Joint Venture set up by:**
  - London Legacy Development Corporation (two thirds)
  - London Borough of Newham (one third)
    - Interest managed through Newham Legacy Investments Ltd
  - Viable business plan based on naming rights income and usage fees
- **Vinci Stadia – LS185: day-to-day operator, appointed by E20**
  - Already successfully operate Stade de France and other French st
  - Incentivised to fill stadium with events
  - Commercial operation



# Stadium concessionaires

- **West Ham United:**
  - 99-year concession
  - 25-28 event days pa
  - £2.5m pa annual rent
  - Financial returns to E20 if club sold
  - E20 retains majority of naming rights, and catering income
- **UK Athletics:**
  - 50-year concession
  - One month usage pa
  - New national centre for athletics
  - Regional and national age group championships as well as elite international
- LS185 incentivised to secure events eg rugby, concerts, etc for remaining available events

# E20 business plan

- **2016/17 focus:**

- Successful permanent handover of the Stadium from Balfour Beatty to LS185
- Support an effective and efficient LS185 mobilisation and delivery of events
- Ensure West Ham United have a successful start in their new home establishing a basis for long term success
- Delivering regeneration benefits for local residents and the local economy
- Secure naming rights deal

- **Long term:**

- 2018/19 first steady state year
- Covers its own costs through concession fees, naming rights, catering etc
- Dependent on seating system effectiveness

## Future announcements

### Naming rights

- Tech Mahindra reviewing heads of terms for new naming rights deal
- [REDACTED]
- Stadium business plan dependent on securing naming rights deal

# Future events

750,000 spectators for Stadium events in 2013 and 2015 including Diamond League athletics, five matches in the Rugby World Cup, Rugby League international, community events and motor sports.

## 2016 onwards

- June 2016: AC/DC concert
- July 2016: Sainsbury's Anniversary Games
- August 2016: West Ham United matches
- November 2016: England v Australia Rugby League
- July 2017: IPC World Championships
- August 2017: IAAF World Championships

## Future challenges

- Intense political and public scrutiny
- Final transformation cost due in autumn 2016
- Ensuring long term sustainable E20 Business Plan
- Naming Rights sponsor – publication of contract
- Broaden events programme – new sports
- Fulfil potential to drive regeneration

# LLDC Long-term Business Plan

May 2016



## Current costs: revenue costs and GLA funding

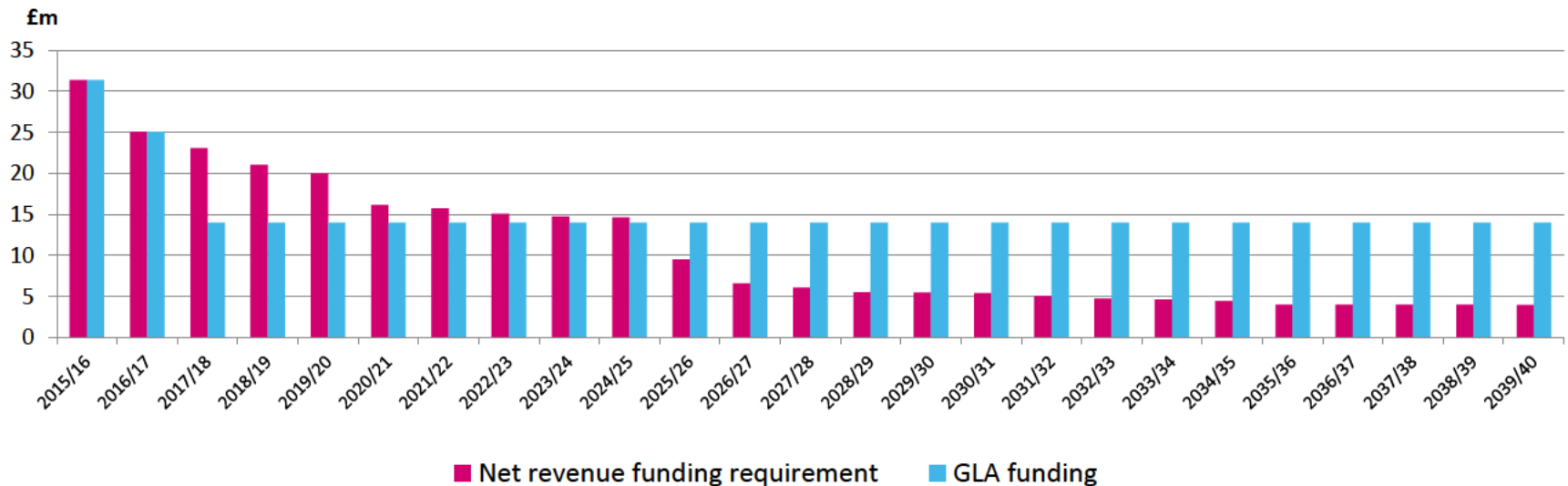
- Total revenue expenditure is around £40m per year in the next three years
- GLA funds around £25-28m per year

	2016/17 budget	2017/18 indicative	2018/19 indicative
Revenue expenditure	29.9	29.7	28.4
Financing costs	10.9	11.6	13.0
<b>Total expenditure</b>	<b>40.8</b>	<b>41.3</b>	<b>41.4</b>
Total income	-4.8	-6.6	-7.4
<b>Net expenditure</b>	<b>36.0</b>	<b>34.7</b>	<b>34.0</b>
Use of reserves	-7.9		
<b>Net expenditure after use of reserves</b>	<b>28.1</b>	<b>34.7</b>	<b>34.0</b>
<b>GLA funding (incl financing costs)</b>	<b>28.1</b>	<b>25.6</b>	<b>27.0</b>
Savings/new funding to be identified		9.1	7.0

# Revenue budgets

## LONG TERM REVENUE

- Revenue budgets support development of **revenue streams** from venues, rent and fixed estate charges, events, sponsorship and planning fees
  - Fixed Estate Charge is long-term revenue stream, based on the principle of a single, coherent 'Great Estate'
- Used to fund **expenditure** on management of the Park, regeneration programmes, running the planning authority and corporate overheads
- The net revenue requirement is costs less income from fixed estate charges (which grow over time), rentals and income from venues
- Over time, net costs are sustainable within the funding envelope.



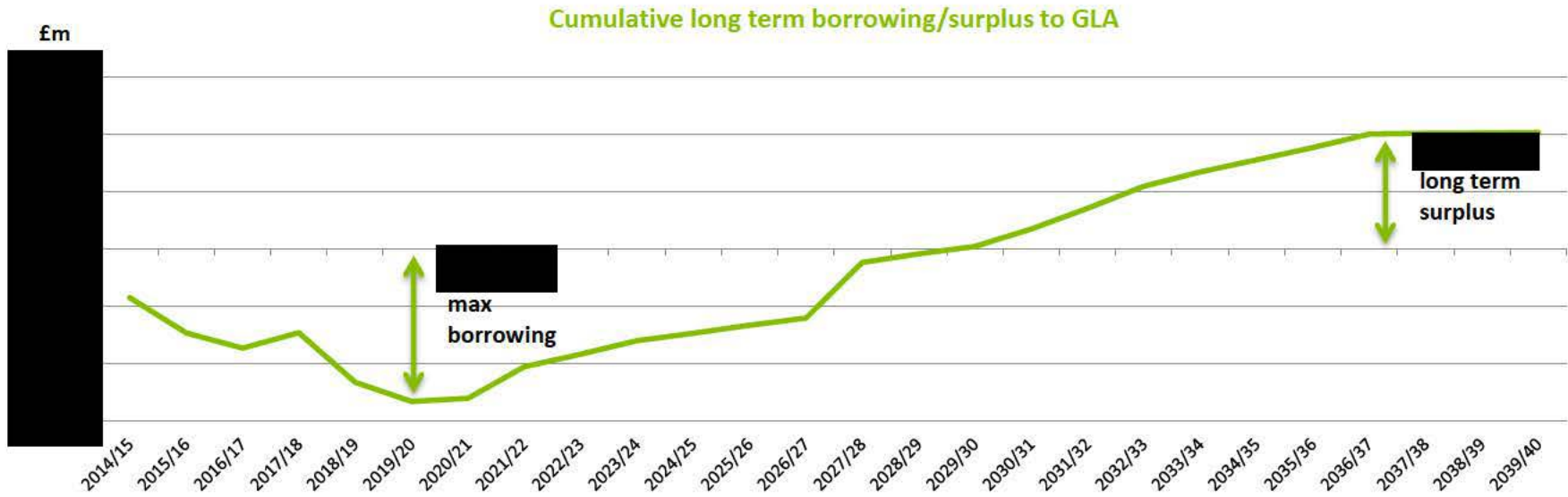


## Current costs: capital costs and borrowing

- Total capital expenditure is around £100m - £125m in the next two years; significant jump in 2018/19 is driven by the Culture and Education District development
- Net borrowing requirement is met by the GLA

	2016/17 budget	2017/18 indicative	2018/19 indicative
Culture and Education District expenditure	46.1	79.2	340.1
Other costs	60.3	47.1	16.4
<b>Total expenditure</b>	<b>106.5</b>	<b>126.2</b>	<b>356.5</b>
Capital receipts	-27.7	-101.6	-63.5
Other grants and funding	-25.4	-79.3	-119.5
<b>Net borrowing requirement</b>	<b>53.4</b>	<b>-54.6</b>	<b>173.6</b>
<b>Cumulative borrowing requirement</b>	<b>346.9</b>	<b>292.2</b>	<b>465.7</b>

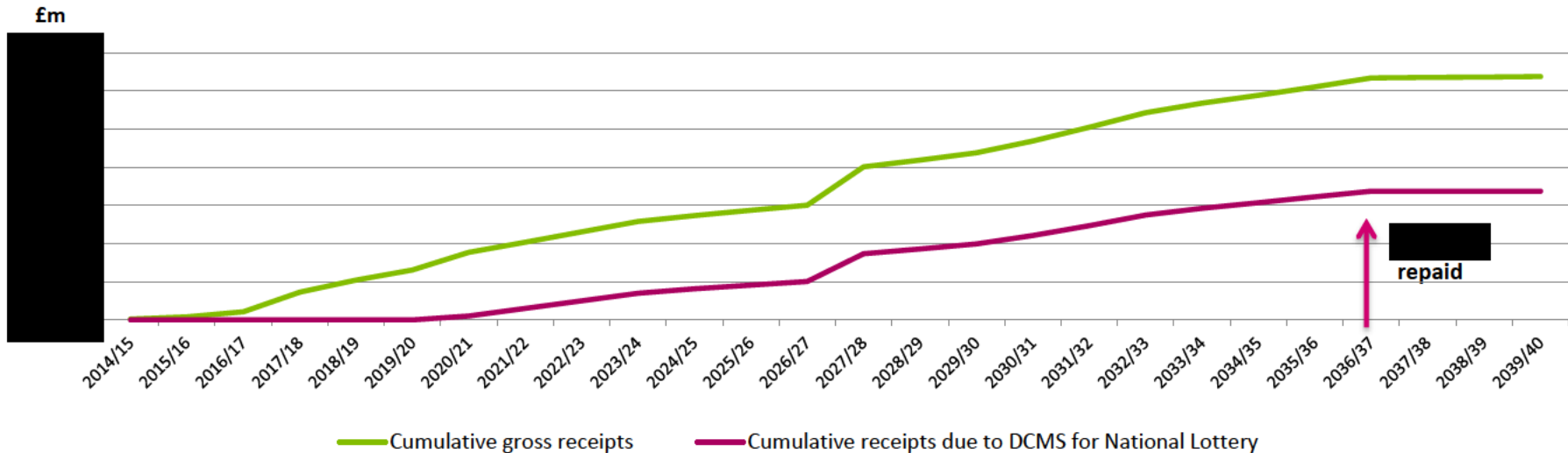
# Net capital projections



## BORROWING

- Capital budgets are concentrated on **delivering the culture and education district** and enabling development of **new neighbourhoods** in and around the Park
- Expenditure net of capital receipts is funded by **borrowings from the GLA**, which are repaid in full over the long term, generating significant surpluses

# Capital receipts and Lottery repayment



## NATIONAL LOTTERY

- Agreement between Government and the GLA (March 2012) on the distribution of capital receipts from the sale of development land
  - Relates only to land originally acquired by London Development Agency for 2012 Games
  - Transactional costs associated with disposal can be deducted, but not infrastructure costs
- GLA to receive the first £223m in receipts; then a 25:75 split between the GLA and Lottery until the Lottery has been repaid in full (£675 million); any remaining receipts to be split 50:50 between the GLA and the Exchequer. Receipts are currently forecast to repay the Lottery agreement in full.
- Capital receipts profile is dependent on planning, assumptions around the timing of developments, affordable housing and density and are highly sensitive to market movements
- If Mayoral priorities change, the impact on capital receipts and repayment commitment would need to be discussed with Government

## In summary:

### Over the long-term:

- Sustainable revenue
- Significant capital surplus
- Options for future operating models
  - management of the Park
  - ownership of assets
- Interface with requirement for fundraising

### More immediately:

- Opportunity to review Lottery repayment, subject to:
  - impact on housing delivery
  - financial impact on GLA