

Purpose

- To review activity across LLDC's business and consider potential impact of Brexit
- Asses if there is anything we should
 - Stop
 - Start
 - Delay
 - Accelerate



LLDC'S business

- Invest in developing the Park's potential for regeneration through:
 - GLA existing and future borrowings
 - Private inward investment to develop the Park and repay GLA borrowings
 - Philanthropy
 - Attracting further investment through seed funding for regeneration programmes and schools/community infrastructure
- Construction programme CED, Hackney Wick Station, s106 infrastructure
- Ensure arrangements in place for managing the park/venues financially sustainable Park in the long term



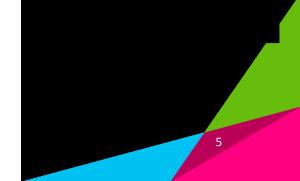
Potential Brexit impact

- Prolonged market uncertainty
- Exchange rate volatility
- Recession in UK and wider EU
- Asset price deflation (particularly London high end residential and commercial/ office)
- Reduced market liquidity
- Increase in UK's and GLA's cost of money
- Impact on University funding
 - CED partners



How long: 2 to 5 years

- New Prime Minister Autumn 2016
- Autumn Statement Oct/Nov 2016
- Article 50 January 2017
- Negotiation up to 2 years

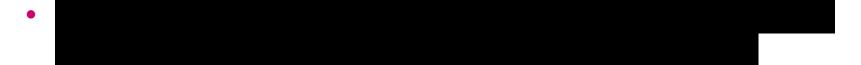


Potential Impacts

Development Receipts	CED	Park	10 Year Plan
 Continued uncertainty likely to exacerbate concerns about profitability and delay investment As will lack of liquidity / higher financing costs Supplier impact – share price / debt covenants/financing Reduced risk appetite in property sector 	 Reduced TPI offset by skilled supply shortages and higher cost of materials Impact potential philanthropic funding Need to understand impact on partners Potential delay / reduced receipts for residential 	 Impact of recession on visitor numbers – local, national ↓ Weak fx rate helps international visitors ↑ Supplier impact EFM Orbit Energy concession Grants / other funding 	

Opportunities

- LLDC vehicle for direct investment / self build on development land
- Potential for increased national infrastructure funding into CED





Actions

Seek to understand GLA position on cost of money and debt profile

