

Subject: Chief Executive's report to the LLDC Board
Agenda item: Public Item 4
Report No: 1
Meeting date: 19 February 2013
Report to: Board
Report of: Dennis Hone, Chief Executive

FOR INFORMATION

This report will be considered in public

1. SUMMARY

- 1.1. This report provides progress updates on the activities of the London Legacy Development Corporation (LLDC) for the February 2013 Board meeting, in particular activities that have taken place during January 2013. The attached Corporate Performance Report covers activities during the October to December 2012 quarter, including a financial overview, an update on progress against milestones from the LLDC's Three Year Business Plan and an overview of key achievements.

2. RECOMMENDATIONS

- 2.1 The Board is invited to **NOTE** this report.

3. PARK HANDOVER AND TRANSFORMATION

- 3.1. **Handover** of the Olympic Park from LOCOG to LLDC commenced in October 2012. This included taking operational control of the Park (perimeter security, access control and logistics operations and associated areas), the Aquatics Centre, the Copper Box, ArcelorMittal Orbit, the Velodrome, the Basketball Arena, Eton Manor and the Stadium. LLDC took control of the whole Park in January 2013 following handover of the Press and Broadcast Centres.
- 3.2. The Park Handover has allowed **Transformation** works to commence, to Clear, Connect and Complete the Park. Progress so far includes: the North Park Hub foundations and floor slab have been cast; the F08 Stadium island temporary bridge has been removed; the F06 underbridge removal works are complete and bridge transformation works have commenced; the Aquatics Centre internal temporary Games-time fitout removal is complete; seating removal is underway in Basketball and Waterpolo arenas; Waterden Road construction has commenced; and major north park earthworks and tree planting is underway.
- 3.3. Figures to the end of January 2013 show that LLDC's **Job and Apprenticeship Brokerage** project for Transformation has secured an additional 30 apprentices on the Park during January 2013; a total of 54 apprentices are now working on the Park. The percentage of local employees working on the Park has increased from

26% to 30% during January 2013 and eight local firms have been awarded Transformation related contracts.

- 3.4. **Park re-opening:** the programme is on track to ensure that the Park and venues can be successfully re-opened following the Transformation programme, with the North Park due to open on 27th July 2013 and the South Park in Easter 2014. The re-opening of the North Park is to be marked by a series of events, see section 4.

4. SUMMER 2013 EVENTS AND ATHLETICS

- 4.1. In 2012 LLDC launched a procurement exercise to invite music promoters to deliver large scale outdoor and Stadium events in 2013. In January 2013 LLDC entered into a contract with music promoter Live Nation to provide a series of concerts and events on the Park in summer 2013, including major music concerts in the North Park and the Stadium. Events already confirmed include the Wireless Festival and Hard Rock Calling, scheduled for July in the North Park.
- 4.2. The events will form part of a summer series on the Park to include RideLondon – a festival of cycling and road race developed by the Mayor of London and organised by The London & Surrey Cycling Partnership.
- 4.3. LLDC and British Athletics have also announced that the 2013 British Athletics London Grand Prix will be held at the Olympic Stadium on the weekend of 27th July 2013, the anniversary of the Opening Ceremony of the London 2012 Olympic Games.

5. PARK IN PROGRESS TOURS

- 5.1. LLDC's Park in Progress project is an opportunity for people to take a bus through the south of the Park and then visit the viewing platforms of the ArcelorMittal Orbit. Tickets for this went on sale through the www.visitlondon.com website in January 2013 and on LLDC's www.noordinarypark.com website in February. Tours commence from 29th March 2013.

6. BROADCAST CENTRES

- 6.1. BT Sport has been confirmed as the first tenant for the Broadcast centre, taking up approximately 10% of the space. BT Sport began to occupy the building on 1st February 2013, beginning their fit out works to be ready to commence broadcasting in time for the start of the 2013/14 football season.

7. HEALTH AND SAFETY

- 7.1. LLDC is committed to promoting the highest standards of Health and Safety in the delivery of the Development Corporation's services and activities.
- 7.2. In the past two months the Transformation work on the Park has progressed broadly as planned, with major activities such as the dismantling of part of the F10 bridge conducted without incident. The identification of higher risk activities – contaminated ground, electrical installations, lifting (cranes etc.) – has led to enhanced assurance of the related activities. Two reportable incidents have been investigated and appropriate follow-up action taken. Near miss reports are investigated if potentially serious to learn lessons and apply them. In December the occupational health programme was launched, seeking to prevent work-related ill health and also giving the workforce the opportunity to address well-being issues. The Health and Safety Executive (HSE) through its agency HSL (Health & Safety Laboratories) is conducting research on deconstruction, looking at the design and build undertaken by the ODA and the extent to which it has facilitated the planned deconstruction (bridges, temporary venues, etc.).

- 7.3. As plans crystallise for the summer, an HS&E Standard for Park Operations and Venues Management has been provided as part of the suite of material being developed for Park Opening including event management. A Coordination Group has been established to track progress in addressing crowd and public safety, occupational health and safety and the interface with Transformation Works.
- 7.4. The LLDC Executive receives and discusses weekly reports on health and safety issues and progress, and is attending a Health and Safety Leadership workshop in February.

8. LEGACY COMMUNITIES SCHEME

- 8.1. LLDC's Legacy Communities Scheme won the prestigious best conceptual project award at the London Planning Awards 2012/13. The Mayor's special award for planning excellence was awarded to the ODA and LLDC for the Olympic Parklands and Public Realm.

9. LEGAL IMPLICATIONS

- 9.1. Legal and procurement advice has been obtained in relation to the above activities.

10. APPENDICES

Appendix 1 - LLDC Corporate Performance Report October to December 2012

Appendix 2 – Transformation Monthly programme dashboard (exempt information)

List of Background Papers

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London Legacy Development Corporation
Corporate Performance: October – December 2012



Purpose of the document

This is a quarterly report that provides an update on progress in the work areas and against the milestones in the London Legacy Development Corporation's (LLDC, the Corporation) Business Plan for 2012/13 – 2014/15 and sets out information about the Corporation's financial performance. The Business Plan can be found on the LLDC's website: http://www.londonlegacy.co.uk/media/LLDC_Business_Plan_260712.pdf

The first section provides information about **financial performance**. Subsequent sections are grouped by theme: **Park Opening and Operations; Real Estate, Regeneration and Design; Planning Policy and Decisions; and Finance and Corporate**. Each section includes progress against milestones, progress in major projects and key risks. The Regeneration section also includes monitoring information about the Corporation's performance against targets, the measurement of which will commence as projects start to be delivered.

Summary of progress in the quarter

LLDC's major achievements during this period are set out below. Further details can be found in the body of the report:

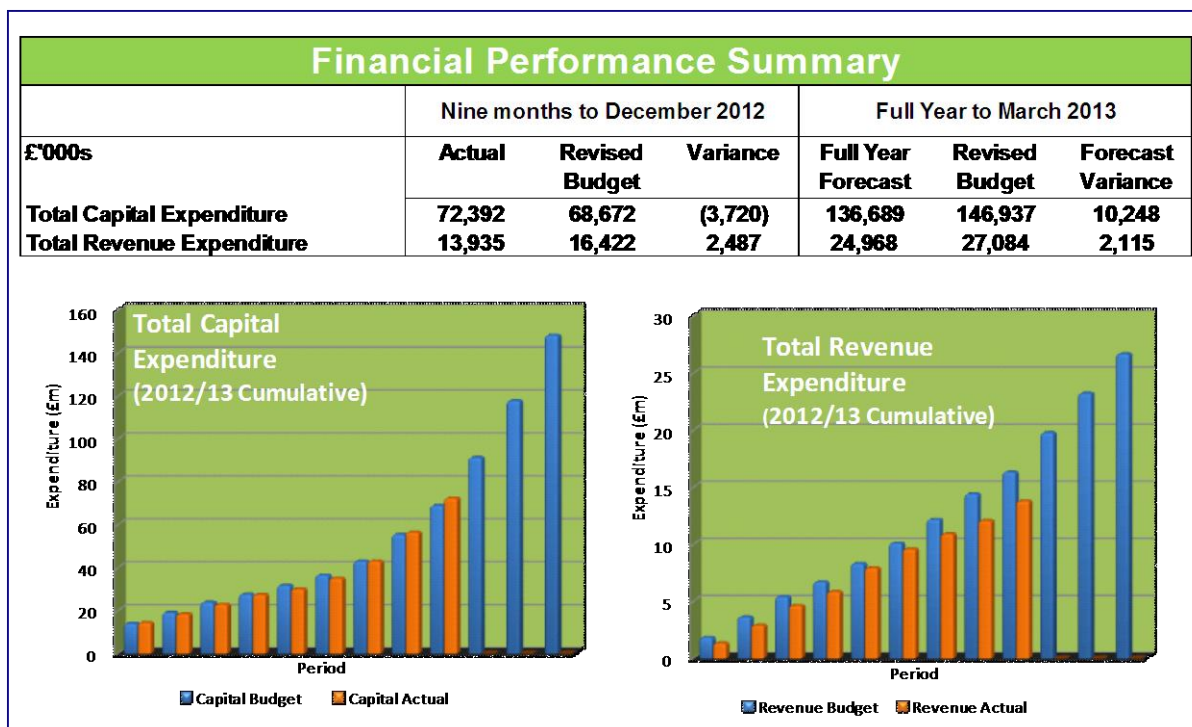
- The development agreement with Taylor Wimpey and London & Quadrant for Chobham Manor was signed.
- The Olympic Park, ArcelorMittall Orbit, Copper Box, Aquatics Centre and the Stadium were handed over to LLDC from LOCOG.
- LLDC commenced Transformation works to clear, connect and complete the Park.
- Promoters were invited to bid to deliver large scale outdoor concerts/ festivals and Stadium concerts in the Park in summer 2013.
- Construction of the North Park Hub began.
- The View Tube facility and the Greenway re-opened and public bus tours around the Park commenced.
- Partner support was secured for LLDC's Paralympic legacy programme.
- The development of LLDC's Local Plan continued including completion of the 'call for sites' consultation.

Goals for the next period

Some of the key goals for LLDC for the period from January to March 2013 are to:

- Complete handover of the Press and Broadcast Centres from LOCOG to LLDC.
- Confirm the legacy use of the Stadium.
- Award contracts for the North Park opening event and series of large scale outdoor concerts and festivals in the Park in summer 2013.
- Appoint an operator for the North Park Hub.
- Gain planning approval for the Gainsborough bridge.
- Sign an agreement for lease with iCITY for the tenancy of the Press and Broadcast Centres; commence occupation of the Broadcast Centre by the first tenant (BT Sport).
- Launch Park in Progress tours: commence the sale of tickets for tours which will begin in late March 2013.
- Complete the Local Plan Early Engagement formal consultation

1. Financial summary and commentary



Capital

At the end of third quarter, capital expenditure was £72.4m against a phased budget of £68.7m. Early in 2012/13 projects totalling £21m were transferred to Infrastructure for delivery from Park Operations and Real Estate. Also at that time a £17m reduction was applied to the budget to reflect a prudent view as to the likely progress possible to March 2013, although confidence remained as to the overall completion dates.

Since the Games there has been a good start but the transformation work has been affected by a number of delays caused by the adverse weather and other factors. This has resulted in slippage which is not expected to be recovered in this financial year and has been reflected in the full year forecast accordingly.

The £3.7m over spend to date has been largely driven by making a provision for the cost of transferring security staff under TUPE regulations to the Tier1 contractor within the All Park infrastructure work stream.

Revenue

Revenue expenditure is 15% under budget which is largely due to slippage and savings across certain Park Opening and Operations and Finance and Corporate workstreams. Although progress is expected to accelerate as we approach the year end, it will not be to the level of the revised 2012/13 budget. We anticipate that the majority of the underspend will need to be carried forward into 2013/14 to fund the delayed scope of work.

A more detailed breakdown is presented below.

£'000s	Nine months to December 2012			Full Year to March 2013		
	Actual	Revised Budget	Variance	Full Year Forecast	Revised Budget	Forecast Variance
Capital Expenditure						
Park Opening and Operations	49,922	45,334	(4,588)	91,446	99,214	7,768
Real Estate, Regeneration and Design	16,296	16,697	402	20,057	22,242	2,185
Finance and Corporate	6,174	6,641	467	25,186	25,481	295
	72,392	68,672	(3,720)	136,689	146,937	10,248
Revenue Expenditure						
Park Opening and Operations	2,260	2,879	618	5,678	6,513	835
Real Estate, Regeneration and Design	2,926	3,586	660	5,233	5,444	211
Planning Policy and Decisions	(51)	161	212	570	570	0
Finance and Corporate	8,800	9,796	996	13,487	14,556	1,069
	13,935	16,422	2,487	24,968	27,084	2,115

Capital Expenditure

The year-to-date overspend within Park Opening and Operations is on Transformation work and is mainly the effect of the provision made for the cost of transferring security staff under TUPE regulations to the Tier 1 contractor.

Delays in the commencement of works pending agreement on the schedule of works at the 3 Mills Studios site and the timings of S106 payments are the key drivers of the underspend to date within Real Estate, Regeneration and Design. Slippage of expenditure to 2013-14 is expected and this has been reflected in the full year forecast accordingly.

Finance and Corporate's year to date underspend is largely due to scope of works within Park IT still being finalised. Slippage to 2013-14 is expected.

Revenue Expenditure

The year to date underspend in Park Opening and Operations is due to delays in crowd management modelling and hostile vehicle mitigation projects. Also additional requirements on EFM projects have not yet been activated.

Within Finance and Corporate, the underspend is driven by phasing of recruitment and programme management costs, release of the 2011-12 year end provision for the office move no longer required and a reduction in the business rates accrual following an assessment by the local valuation office. The anticipated savings and slippage have been reflected in the full year forecast.

The year to date underspends within Real Estate, Regeneration and Design and Planning Policy and Decisions are the result of slippage and savings across a variety of workstreams.

Planning Policy and Decisions have been introduced to the accounts since the last report following their transfer to the Corporation in October 2012. The cumulative actual credit balance to December (i.e. net income), is due to planning fee receipts running ahead of budget and offsetting the planned expenditure which is broadly in line with budget.

2. Park Opening and Operations

The work in this area in 2012/13 is focussed on action to ensure that the Queen Elizabeth Olympic Park (the Park) and its venues can be successfully re-opened. This includes: 102 hectares of parkland; the Stadium, Aquatics Centre, Copper Box and ArcelorMittal Orbit; the Velopark and Eton Manor.

Park opening and operations is facilitated by a programme of infrastructure works to transform the Park into London's newest destination.

Work is also being done to ensure that the Park will open with a programme of events and visitor attractions to establish its reputation as a compelling visitor destination, and ensure that the Park operations are in place from opening day onwards. This area also includes work to confirm the legacy use for the Stadium.

Progress against major milestones

Park opening and operations	Target date	Estimated date and comment
Mobilise transformation works: clear, connect, complete	2012/13	Transformation works have commenced following handover post Games and are on schedule
Park Handover to LLDC from LOCOG	2012/13	All assets and venues have been handed back apart from the Press and Broadcast Centres, to be handed over in February 2013
First area of Park (North Park) open	July 2013	On schedule to open on 27 July 2013
South Park Opening	Easter 2014	On schedule to open Easter 2014
Announce legacy uses for Stadium	2012/13	LLDC is due to make a decision on legacy use shortly; West Ham United FC have been ranked highest of the bids received

Commentary on key projects

The major focus of LLDC's work in this period has been to ensure that preparations are made to open a high quality Park on time (North Park on 27 July 2013; South Park in Easter 2014). The Park Opening plan monitors and coordinates the workstreams needed to deliver Park opening; LLDC is currently on schedule to meet these Park opening milestones. In January 2013 LLDC confirmed it has entered into a contract with music promoter Live Nation to bring a series of concerts and festivals to Queen Elizabeth Olympic Park this summer, ahead of its full opening in spring 2014. Activities in key Park Opening workstreams are summarised below:

Park Handover: handover of the Olympic Park from LOCOG to LLDC commenced in October 2013. This included taking operational control of the Park (perimeter security, access control and logistics operations and associated areas), the Aquatics Centre, ArcelorMittal Orbit, the Velodrome, the Basketball Arena, the Copper Box and the Olympic Stadium. The Press and Broadcast Centres are on scheduled to be handed back in February 2013.

Transformation: Following Park Handover LLDC has commenced the Transformation work programme to clear, connect, and complete the Park. This includes clearing temporary

Olympic and Paralympic Games structures (such as the temporary seating “wings” on the Aquatics Centre); connecting the Park to local communities through the construction of footpaths, cycle ways, bridges and underpasses; and completing the new park through construction of new features such as the creation of parklands. The programme is on track to ensure that the Park and Venues can be successfully re-opened following the Transformation programme.

North Park and Hub: North Park Hub planning approval has been granted and the construction contract awarded to BAM Nuttall; construction commenced in November 2012. LLDC went to the market in November to appoint a North Park Hub operator to run the 80 seat cafe in the North Park and the community meeting rooms. An operator was selected in late December and the final contract negotiations are expected to conclude by the end of February. Mobilisation will commence in late May in readiness for the North Park reopening in July.

Park Operations: work is ongoing to ensure that the Park will operate smoothly from day one after Park opening. Work includes the mobilisation of venue operators and delivery of the estates and facility management contact.

South Park Plaza and Hub: Planning permission was granted on 23 October 2012 for the creation of 11.3 acres of Parkland, known as the South Plaza, situated in the south of the Queen Elizabeth Olympic Park in the area between ArcelorMittal Orbit, the Aquatics Centre and the Stadium. The plans include a dynamic, landscaped area dedicated to entertainment and cultural activities, a 12m wide tree-lined promenade, an interactive ‘labyrinth’ fountain, a classic carousel, performance space and a play space with climbing wall descending to the canal-side. Construction has commenced on a park hub adjacent to the ArcelorMittal Orbit housing a café, box office and roof-top pavilion with views across the Park.

LLDC has gone to market for **CCTV** provision, with a provider to be selected in spring 2013; procurement has also commenced for the provision of railings for the North Park. A project consultant to advise on **signage and wayfinding** has been appointed and the strategy is being updated. LLDC is working on plans for a **Park Headquarters** to coordinate park operations, utilising the current Site Operations Centre and the Pudding Mill Lane site: a planning application has been submitted and the Park HQ is due to be open in summer 2013.

Events and Interim uses: LLDC launched a procurement exercise to invite promoters to deliver large scale outdoor concerts/ festivals and Stadium concerts in the Park in summer 2013 and in January 2013 announced that it had entered into contract with Live Nation. A separate but related exercise was launched to deliver a weekend of music, sport and culture with a focus on east London communities to mark the re-opening of the North Park.

Aquatics Centre and Copper Box: The Aquatics Centre was transferred to LLDC on 1st October 2012 to enable the Transformation works to begin, including the removal of the venue’s temporary seating wings to bring the capacity down from 17,500 to 2,500: the seats have been removed and the wings are due to be removed by summer 2013. The Aquatics Centre is due to open to the public in Easter 2014. The Copper Box (formerly known as the Multi Use Arena) was transferred to LLDC in November 2012. Transformation works have commenced for the venue to be open to the public in summer 2013.

ArcelorMittal Orbit: The visitor attraction was licensed to LOCOG for use during the Olympic and Paralympic Games where it attracted 130,000 visitors. The sculpture was

handed back to LLDC in October 2012 and is due to be open to the public in Easter 2014 (as well as open in 2013 as part of the Park in Progress bus tours, see the Regeneration section).

Stadium: At its December 2012 meeting LLDC's Board unanimously agreed that West Ham United's bid for a concession to play at the Olympic Stadium should be ranked highest of the bids received, and that negotiations should be held with the club on final commercial terms for them to move to the Stadium. This is conditional on a number of issues: the final specification for adaptations to the stadium and associated funding; securing planning permission; obtaining appropriate national governing body approvals; and the finalisation of commercial terms, including a mechanism to protect taxpayers' investment in the stadium were the value of the club to increase significantly through a change in location. If a football use can be agreed the stadium would be reconfigured to provide a retractable/moveable seating solution so there would be a quick change over between athletics and football use.

Detailed designs are being progressed for a non-football option for the Stadium should agreement with West Ham United not be reached. The next stage is to procure a stadium operator to manage the venue and coordinate usage of the venue. This is due to commence in February/early March 2013. Procurement of contractors to undertake agreed adaptations is underway with appointments to be made in summer 2013. A planning application will be submitted once the concessionaire process is complete.

Key Park Opening and Operations risks:

Summary	Impact	Mitigation
There is a risk that the Park opens later than has been announced or without the facilities to encourage people to visit the Park in large numbers.	Significant reputational and operational impacts and financial impacts on receipts.	Defined and established work programmes and milestone achievement regularly reviewed at Executive and Board levels. Park Opening Programme monitoring progress of key projects.
There is a risk that the Park opens without the facilities or events to encourage people to visit the Park in large numbers or to meet the expected visitor numbers that have been publicly announced	Significant reputational and financial impacts	Defined work programmes (including operator procurement, events programme, interim uses strategy for visitor attractions) and milestone achievement regularly reviewed at executive and Board level.
A risk that the process to secure concessionaires for the Stadium is not successful and LLDC's budget will not be sufficient to carry out construction work required.	Stadium opening will be delayed leading to financial and reputational impacts for the Corporation.	Ensuring that the process is clear and well communicated. Continue negotiations with bidders and budget discussions, with potential funders.
There is a risk that whatever the decision is on the future of the Stadium that LLDC will be subject to criticism	Negative impacts on the reputation of the Corporation	The corporation is running a robust selection process. A communications strategy is in place for press and media.
There is a risk about the impacts of serious accidents or episodes of significant ill health on site	The possibility of serious injuries or fatalities, the consequences of which may include significant delays to programme.	A comprehensive health and safety programme is in place, designed to identify and manage the construction risks and led actively by LLDC and its Project Management Partner

3. Real Estate, Regeneration and Design

Real Estate

The work in this area in 2012/13 includes confirming the legacy use of the Press and Broadcast Centres; securing planning permission for the Legacy Communities Scheme; selecting a development partner for the provision of 800-900 homes at Chobham Manor.

Progress against milestones

Real Estate and design milestones	Target date	Estimated date and comment
Secure planning consent for Legacy Communities Scheme	2012/13	Complete
Secure legacy use for Press and Broadcast Centres	2012/13	Selected preferred bidder, plan to sign agreement for lease in Q1 2013.
Appoint developer partner for Chobham Manor	2012/13	Complete

Commentary on key projects

Press Centre and Broadcast Centre: Following the Board's decision in July 2012 iCITY has been awarded sole preferred bidder status to become the long-term tenant of the Press and Broadcast Centres – in keeping with LLDC's vision to create a new commercial centre on the Park. iCITY is working with the Legacy Corporation to demonstrate that it can deliver the legacy aspirations for the Press and Broadcast Centre site; negotiations are progressing to schedule to allow the agreement for lease to be signed early in 2013. BT Sport has been confirmed as an anchor tenant for the Broadcast centre, taking up approximately 10% of the space. BT Sport will operate a new sports television channel and will take occupation of the space from February 2013 in preparation for the start of the 2013/14 football season.

Legacy Communities Scheme: The Legacy Communities Scheme planning application to deliver comprehensive mixed use development on the Queen Elizabeth Olympic Park was granted outline planning permission in September 2012. Work is ongoing to ensure that LLDC monitors and discharges its planning obligations relating to the LCS.

Chobham Manor development: LLDC have entered into the development agreement with Taylor Wimpey and London & Quadrant to build LLDC's first neighbourhood on the Park, Chobham Manor, on the site of the temporary Basketball Arena. The development will contain 75% family housing (defined as 3 beds or more) as this is a planning requirement and will be supported by a new health centre, nursery and community spaces.

A zonal masterplan for the development is due to be submitted to the Planning Decisions Committee in early 2013. The aim is for the developer to start on site in early 2014 following removal of the Basketball Arena and for the first homes to be ready by the end of 2014.

Connectivity projects

Two major connectivity projects are underway: a revised planning application has been submitted for the **Gainsborough Bridge** which will connect Gainsborough School and Arena Fields, aiming for planning permission to be granted in March 2013 and construction to commence in summer 2013; and design work is underway to create the **U13/14 underpass** to link the north and south of the Park; construction is scheduled to commence in autumn 2013.

Design and Fringe projects

Commentary on key projects

The White Building: The Hackney Wick Fish Island Cultural Centre, known as the White Building, has already brought thousands of Londoners together through art, education and community activities.

LLDC Quality Review Panel: LLDC's independent design review panel has reviewed Chobham Manor, Canal Park and iCity designs as well as several projects outside LLDC's landownership; a separate Board report provides an update on the work of the Panel.

Canal Park: Masterpanning work is ongoing to design the Canal Park with a Masterplan report due at the end of February and phase 1 construction due for completion in early 2014.

Interim Uses: Scoping work is progressing well on grassroots interim uses, interim uses mini masterplans for East Wick, the Belvedere and Sweetwater (future neighbourhoods in the Park) are due for completion in February 2013; and a series of precedent studies – Learning from Others - into a range of types of interim use project across the UK and beyond is currently being completed. Financial modelling and viability testing work is underway to develop the business case for grassroots interim uses on the Park.

Emerging East: Successful entries were selected in November for the 'Emerging East' programme, which supports and funds design-led creative projects that showcase the role and quality of design within existing communities around the park. The 14 selected projects will be delivered from April to September 2013, and some will link into the re-opening of the North Park.

Custom-build housing: Work has commenced on a study of feasibility and management mechanisms for custom-build housing on the Park. The E20 Pavilion, an installation explaining the story of the Park, is on display at More London during February 2013.

The Fatwalk: Discussions continued for LLDC to deliver the Fatwalk project to connect the Park to the River Thames along the River Lea, with transfer of existing rights, agreements and any associated contracts and permissions expected to be complete by February 2013.

Key Real Estate and Design risks:

Summary	Impact	Mitigation
Risks about the successful completion of a deal with the preferred bidder for Press and Broadcast Centres. Challenges include bidder not able to meet LLDC requirements or bidder withdraws.	Negative impacts of jobs created, reduced financial returns and damage to LLDC's reputation	Close working with the preferred bidder including technical support, discussions around planning issues.
There is a risk that related development projects undertaken by other organisations are not successful.	Negative knock on effect on the success of the Park.	Close work with partners to influence developments and monitor progress.

Regeneration

The work in this area in 2012/13 includes developing a range of projects to help deliver regeneration and convergence in the Park and its surrounding area. These include socio economic projects around jobs, skills and business engagement; projects to promote equalities and inclusive design, engagement with the local community; and projects promoting arts and culture.

Progress against major milestones

Regen. and Community Partnerships milestones	Target date	Estimated date and comment
Develop regeneration and convergence programmes	2012/13	Work continues on the development and delivery of a range of projects contributing to convergence and regeneration
Delivery of Paralympic ambassadors programme	2012/13	On schedule to identify delivery partner in early 2013
Re-opening of View Tube	2012/13	Complete: reopened in December 2012
Launch of bus tours around the Park for members of the public	2012/13	Complete: Bus tours operational.
Complete recruitment for Transformation jobs and apprenticeships	2012/13	Recruitment of apprentices has commenced and support given to Boroughs to help local people into Transformation jobs

Commentary on key projects

Equalities and Inclusion

LLDC's **Paralympic legacy programme** establishes an annual festival of disability sport along with new sporting, leisure and employment opportunities. In December 2012 it was announced that Sport England and other partners including the Host Boroughs, Lee Valley Regional Park Authority, Greenwich Leisure Limited, the University of East London, ProActive East London and Wheelpower will support the programme including a grant of £750,000 a year (£500,000 from Sport England; £250,000 from the other partners) to match the £250,000 a year provided by LLDC. The programme will provide 26,000 opportunities over the three years for people in the host borough to participate in inclusive sporting opportunities. The first annual festival of sport has been confirmed to take place on the weekend of the 7 September 2013.

LLDC's Inclusive Design standards were submitted to the Planning Decisions Committee at the end of December 2012 for public consultation to discharge the first planning condition against the LCS; the consultation is due to complete in early 2013.

Socio Economic projects

LLDC's **Job and Apprenticeship Brokerage** project for Transformation has commenced. By the end of December 2013 there were 24 apprentices appointed through this project and 26% of Transformation posts had been filled by local people. The first local firms have been awarded Transformation related contracts during this period.

LLDC produced its **Legacy Careers Programme** to deliver jobs and apprenticeships during the first three years of delivering the Legacy Communities Scheme; this will include opportunities provided by the construction of Chobham Manor.

Community Engagement

LLDC delivered the **Take 12** sport and healthy living project in November and December 2012. This was a pilot scheme encouraging people in the boroughs of Waltham Forest, Newham, Hackney, Tower Hamlets, Greenwich and Barking and Dagenham to do 12 hours of physical activity or cover 12km in distance preceding the launch of a full programme in 2013 which will aim to reach 12,000 people from across the boroughs.

LLDC delivered its annual lecture series in this period, inviting students, academics and the public to a series of lectures about the long term benefits of the 2012 Games and creating the Park, covering subjects including creating a thriving place in the Park, inclusive design and accessibility and creating a healthier nation.

A programme of free public **bus tours** run by LLDC commenced on 21st November 2012. These will run until the Park begins to open in July 2013 and will allow people to see the new Park develop during the Transformation phase; priority for bookings will be given to those living closest to the Park. Work has also commenced to offer paid for '**Park in Progress**' bus tours available from late March 2013 which will include a journey up the ArcelorMittal Orbit.

Greenway and View Tube: The Greenway cycle and footpath, which connects Hackney Wick to Pudding Mill Lane in Stratford and offers views of the Park, re-opened in December 2012, along with the View Tube in Pudding Mill Lane. The View Tube is a visitor centre made of green shipping containers that has a café (which has increased in size since before the Games), educational facilities and a viewing platform of the Park

Arts and Culture

LLDC has gone to market to procure an arts organisation/collaboration to deliver the Creative Futures: Speaking Words project. This will commence in early 2013 and offer people in east London an opportunity to watch, perform and develop careers in spoken word poetry in the Park and its surrounding area. It will also identify the first Young Poet Laureate in east London to act as an ambassador for spoken word poetry.

LLDC are procuring an organisation to run the Mobile Artist in Residence project: to design and build a mobile artist studio; undertake a mobile residency in east London and support a mentorship programme with an education partner for young people.

Key regeneration risks:

Summary	Impact	Mitigation
There is a risk concerning site management and communications between Games-time and Park opening.	Negative impacts on the Corporation's reputation with local residents (including new residents in the East Village from 2013) and prospective visitors.	Manage expectations through Park unfolding plan. Develop interim uses, park tours and controlled events. Implement considerate construction programme and good communications with residents.
There is a risk of failing to deliver regeneration and convergence impacts of the Park for local communities.	A reduction of the regenerative and convergence impact of the Olympic Park for local communities.	Implement socio-economic policy; agree strong targets in contracts (EFM, Transformation and venue operator contract targets already agreed, close working relationship with partners).

Targets

LLDC will monitor its performance against the targets as set out in its Business Plan. These are long term targets that will be measured and reported once work on individual projects is underway. The targets that have been agreed to date include Transformation targets for construction works after Games and targets within contracts awarded for Estates and Facilities Management and Venue Operators. These were set out in the Corporate Performance report for April to June 2012 which can be found on the LLDC website (<http://www.londonlegacy.co.uk/media/Report-5-Corporate-Performance-Report-April-to-June-2012.pdf>). Progress against targets will be reported in future versions of this report. The first targets to be monitored will be those relating to the transformation works. These will be available from the next performance report onwards.

4 Planning Policy and Decisions

Progress against major milestones

Planning Policy and Decisions Team milestones	Target date	Estimated date and comment
Complete Call for Sites consultation to identify future development sites for the Local Plan	2012/13	Complete: consultations concluded on 31 December 2012
Completion of Local Plan Early Engagement formal consultation	2012/13	On programme to close in January 2013
Residents' meetings held on Local Plan	2012/13	On programme for meetings to be held in January and February 2013

Commentary on key projects

Following the Board's approval of the Local Development Scheme and the programme for preparation of the Legacy Corporation Local Plan and CIL Charging Schedule at its October 2012 meeting, the Planning Policy and Decisions Team (PPDT) has commenced its consultation with residents and businesses within the LLDC area on what they would like to see included in the Local Plan. This process also includes a 'call for sites' from landowners and other relevant parties in order to identify future development sites for the Local Plan. The consultation period ran between 12 November and concluded on 31 December 2012. Other formal and informal consultation and engagement work will continue to take place as the plan is developed.

Activity in early 2013 on Local Plan preparation will include initial work on evidence base preparation, visioning and commencement of work on the draft CIL charging schedule and Infrastructure Delivery Plan.

For **Development Management**, during this quarter 107 planning applications were determined of which 47% were within the required statutory timescales. This relatively low quarterly percentage was largely due to a high number of time-expired applications which were passed to the LLDC from the host Boroughs during October, and the monthly trend shows improvement in performance across the quarter.

Major planning applications at Neptune Wharf (c800 residential units), Chobham Farm (1,100 units) and Angel Lane (750 room student accommodation) are due to be considered by the Planning Committee from February 2013. There continues to be a high level of pre-application interest for redevelopment of sites in Hackney Wick, Fish Island and adjoining Stratford High Street.

On planning enforcement, PPDT inherited 35 cases from the host Boroughs at the start of October 2012 and has investigated and closed out 15 of these cases by the end of December.

Key Planning Policy and Decisions Team risks:

Summary	Impact	Mitigation
There is a risk that there are delays to the programmes to develop the Local Plan and the Community Infrastructure Levy (CIL).	Negative financial and reputational impacts for the Corporation.	Identify and review all potential liabilities.

5 Finance and Corporate

Work in this area includes functions to support the delivery of the Corporation's objectives through services including finance, human resources, IT and Information management, programme management, legal, procurement and communications. It also included the programme to transfer planning powers to LLDC which took place in October 2012.

Progress against milestones

Finance and Corporate Milestones	Target date	Estimated date and comment
Transition to LLDC	2012/13	Completed 1 April 2012
Transfer of planning functions to LLDC	2012/13	Completed 1 October 2012
Approval of 2013/14 budget and 2013/14 to 15/16 business plan	2012/13	On schedule for the budget and business plan to be approved by March 2013

Commentary on key projects

Work is ongoing to prepare the LLDC's **budget** for 2013/14. An initial draft was circulated to the GLA in December 2012 and is on schedule to be complete for final submission and approval by March 2013. Related work is also underway to develop a **three year business plan** to cover LLDC's activities in 2013/14 to 2015/16. This will set out LLDC's role and status on the context of Mayoral policy, and outline its major objectives, milestones and deliverables in this period.

Work has continued to develop the **Park Wide IT** strategy which sets out a plan to address requirements for IT and technology on the Park after Games and link in with corporate IT requirements. This will ensure the delivery of the Park IT Infrastructure for the Park to start to re- open from summer 2013. Two programmes of work are on schedule to support this: specification for the Park technology and design of the IT information and security system.

Key corporate support risks:

Summary	Impact	Mitigation
A risk that the Corporation does not have the capacity to deliver on areas of activity, particularly after the current comprehensive spending review period.	Impacts on the legacy programme, damage to the Corporation's reputation and increasing costs.	Negotiations with GLA in the three year budget and business planning round. Work to ensure efficient use of available resources and complete and implement a review of organisational design
There is a risk that the Corporation's IT systems, information management and security will not be robust enough to cope with increasing requirements.	Commercial and reputational damage to the Corporation, and potential operational failure.	LLDC's new IT system has been implemented and resourcing for IT and information management has increased. Development and implementation of the Park wide IT strategy is underway.