

Subject: Memorandum of Understanding with the Mayor of London
Agenda item: 8
Report No: 5
Meeting date: 02/04/2012
Report to: Board
Report of/by: Jonathan Dutton, Executive Director of Finance and Corporate Services

FOR DECISION

This report will be considered in public

1. SUMMARY

- 1.1. This paper informs the Board about the terms of the proposed memorandum of understanding with the Mayor of London, and seeks a delegation for the agreement of a final draft of the document.

2. RECOMMENDATIONS

- 2.1. The Board is invited to:
- **NOTE** the proposal for a memorandum of understanding with the Mayor of London;
 - **AGREE** to delegate to the Chairman the power to sign a final draft of the proposed memorandum.

3. BACKGROUND

- 3.1. The Mayor of London has proposed agreeing a memorandum of understanding with the London Legacy Development Corporation, to provide clarity of expectations of how his relationship with the Corporation will operate.
- 3.2. A draft memorandum has been prepared by officials, but has not yet been agreed by the Mayor, so cannot be presented to the Corporation for approval at this stage.
- 3.3. The draft memorandum covers the following issues:
- Access to information and meetings, providing that the Mayor shall be entitled to send an observer to meetings, and that observer shall be entitled to copies of all papers;
 - Approval of budgets and business plans, which sets out how the Corporation will secure the Mayor's agreement to its budgets and business plans;
 - Mayoral approval of certain decisions by the Legacy Corporation and its subsidiaries, including approval of business cases above specified thresholds, approval of borrowing, and other matters set out in the Localism Act;

- Consultation arrangements, including on standing orders, budgets and business plans and the issue of mayoral directions
- Accountability, including provision for regular meetings between the Mayor, the Development Corporation Chairman and senior officials

4. PROPOSAL

- 4.1. In order to ensure that the relationship between the Mayor and the Corporation is clearly expressed from the outset, it is proposed that the Board
- **NOTE** the proposal for a memorandum of understanding with the Mayor of London;
 - **AGREE** to the delegate to the Chairman the power to sign a final draft of the proposed memorandum.

5. TIMING

- 5.1. The agreement of the Memorandum of Understanding is expected to take place shortly.

6. CONSULTATION

- 6.1. The drafting of the memorandum of understanding has been undertaken by Greater London Authority officials in consultation with Olympic Park Legacy Company officials.

7. LEGAL IMPLICATIONS

- 7.1. The agreement of a memorandum of understanding between parties does not imply a legally enforceable commitment.
- 7.2. The Mayor of London has said that he intends to issue a direction to the London Legacy Development Corporation, under Section 220 of the Localism Act 2011, to ensure enforceability of certain provisions. Under the terms of the proposed Memorandum of Understanding, the Mayor would consult the Legacy Corporation before issuing any such direction.

8. LIST OF APPENDICES TO THIS REPORT

- None

<p>List of Background Papers</p> <ul style="list-style-type: none"> • Localism Act 2011

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