

Minutes of the Meeting of the Board of the London Legacy Development Corporation

Meeting date: 26 March 2013
Time: 2pm
Venue: Committee Room 4, City Hall, The Queen's Walk, London SE1 2AA

PRESENT: Boris Johnson (Chair)
Sonita Alleyne
Nick Bitel
Neale Coleman (Deputy Chair)
Nicky Dunn
David Edmonds
David Gregson
Baroness Grey-Thompson
Philip Lewis
Lord Mawson
Lutfur Rahman
Jayne McGivern
Jules Pipe
Sir Robin Wales
David Ross

APOLOGIES: Chris Robbins
Keith Edelman
Jan Boud, General Counsel

IN ATTENDANCE: Dennis Hone, Chief Executive)
Jonathan Dutton, Executive Director of Finance and Corporate Services
Vivienne Ramsey, Director of Planning Policy and Decisions (item 11)
Colin Naish, Executive Director of Infrastructure (item 17)
Pauline Schaffer, Head of Development (item 20)
Victoria O'Byrne, Director of Communications and Public Affairs
Rachel Massey, secretariat
Sir Edward Lister, Mayor's Observer to the Board (from 2.35pm)
Michelle Reeves, GLA and Mayor's Observer to the Committees

1 Welcome and apologies for absence

- 1.1 The Chair welcomed Board members and members of the press and public to the meeting.
- 1.2 The Chair noted the apologies from Keith Edelman and Chris Robbins.
- 1.3 The Chair congratulated the Chief Executive and Deputy Chair and everyone involved on the successful conclusion of the deal with West Ham United to become tenant for the Stadium. The Board **NOTED** their thanks to all involved.

2 Declarations of Interest

- 2.1 The Chair noted that members had declared registrable interests in line with the standing orders and asked Board members to confirm if they had any interests or additional interests to be declared relating to matters listed on the agenda other than those already made included in the register.
- 2.2 No other new declarations or declarations relating to matters listed on the agenda were raised by Board members.

3 Minutes

- 3.1 The minutes of the meeting on 19 February 2013 had been circulated with the papers. The Board **APPROVED** the minutes as an accurate record of the meeting for the Chair to sign.

4 Chief Executive's report

- 4.1 The Chief Executive introduced Report 1 which provided an update on major LLDC projects and activities in February. The Chief Executive highlighted the following:
- (a) The transformation programme is on track and the LLDC's Job and Apprenticeship Brokerage project has now created 60 apprenticeships on the Park with 97% from the local area and 25% are women.
 - (b) An additional day for the Yahoo! Wireless festival was announced featuring Jay Z and Justin Timberlake.
 - (c) The Hard Rock Calling Festival headlined by Bruce Springsteen and the E Street Band and Kasabian was announced.
 - (d) Tickets are selling very well for the "Park in Progress" tours allowing people to visit the ArcelorMittal Orbit. A second tranche of tickets would be going on sale.
 - (e) LLDC's Take 12 Challenge was launched. This aims to inspire people from the host boroughs to complete either 12 hours of physical activity or cover 12km over a 12 week period.
- 4.2 The Chief Executive also reported with great sadness that the LLDC's Director of Development, Andrew Gaskell had died on 26 February 2013. The Chief Executive noted that Andrew was a key figure in the preparations of the London 2012 Olympic bid, the compulsory purchase of Olympic Park land and the development of the masterplan for legacy. The Board **RECORDED** its condolences to his family.
- 4.3 The Board **NOTED** the Chief Executive's report.

5 Report of the meeting of the Planning Decisions Committee held on 25 February 2013

- 5.1 The Chair of the Planning Decisions Committee, Philip Lewis, introduced Report 2 which provided an update on the recent Committee meeting, noting that a planning application from Unite for student accommodation was being heard by the Committee at its meeting on 27 March. The Board **NOTED** the report.

- 6 Report of the meeting of the Audit Committee held on 4 March 2013**
- 6.1 The Executive Director of Finance and Corporate Services introduced Report 3 in the absence of Keith Edelman, the Committee Chair. He noted that the Committee discussed the Treasury Management strategy and the 2013/14 budget which are covered under separate items on the agenda. The Committee also looked at risk management and the work of the internal auditors. The Board **NOTED** the report.
- 7 Report of the meeting of the Park Opening and Operations Committee held on 12 March 2013**
- 7.1 The Chair of the Park Opening and Operations Committee, Nicky Dunn, introduced Report 4 which provided an update on the recent committee meeting. She thanked Neale Coleman for standing in as chair for this meeting in her absence. She noted that good progress had been made towards Park opening and the summer events programme and although there was still a significant amount to do, there were no critical issues. The Board **NOTED** the report.
- 8 Report of the meeting of the Investment Committee held on 19 March 2013**
- 8.1 The Chair of the Investment Committee, David Edmonds, introduced Report 5 which provided an update on the recent committee meeting. He noted that the committee had discussed the Stadium Concessions Competition, the E20 Stadium Limited Liability Partnership update and the Press Centre and Broadcast Centre disposal process which are covered under separate items in the private part of the Board agenda. The Committee also held constructive discussions about the delivery phasing of the Legacy Communities Scheme and endorsed further work to be undertaken. The Board **NOTED** the report.
- 9 Report of the meeting of the Regeneration and Communities Committee held on 19 March 2013**
- 9.1 The Chair of the Regeneration and Communities Committee, Andrew Mawson, introduced Report 6 which provided an update on the recent meeting, noting that the Committee held a very helpful discussion on the LLDC's regeneration programme and education work. The Board **NOTED** the report.
- 10 Revised scheme of delegations**
- 10.1 The Executive Director of Finance and Corporate Services introduced Report 7 which set out the out proposed changes to the Legacy Corporation's scheme of delegations following on from the review of committee structures at the end of December. The review of delegations aimed to give greater delegations to committees and senior management, to simplify the delegations and to ensure that the delegations can respond to the Legacy Corporation's changing role when Park becomes fully operational. The main proposals were outlined including:
- (a) The introduction of a general delegation whereby senior officers are authorised to take action to further the Legacy Corporation's aims, except where authority has been explicitly reserved to a higher level;
 - (b) The introduction of an emergency action delegation;
 - (c) Revised financial delegations for committees and officers; and

- (d) Changes to the planning delegations to give the Planning Decisions Committee an advisory role in relation to planning policy.
- 10.2 The Board **NOTED** the review of delegations and the changes proposed, **AGREED** the revised schemes of delegations and **DELEGATED** to the Chief Executive the authority to make consequential amendments to Financial Regulations, Standing Orders and the Planning Scheme of Delegations, to reflect this revised scheme.
- 11 Planning Decisions Committee, Membership and amended Terms of Reference**
- 11.1 The Director of Planning Policy and Decisions introduced Report 8 which set out the changes to the Planning Decisions Committee (PDC) membership to include four independent members and the revised committee terms of reference.
- 11.2 The Director of Planning Policy and Decisions noted that recruitment had been undertaken which included long listing, short listing and final interviews led by Philip Lewis and Nick Bitel with advice from LLDC officers. Three strong candidates had been selected and further recruitment was underway for a fourth candidate with a background in architecture. It was noted that the three proposed independent members were listed as an appendix to the report to be, subject to a positive resolution to exclude the members of the public, noted in the private section of the meeting. It was also noted that in accordance with the Localism Act, the Mayor of London had been asked to agree to the appointment of the independent members to the Planning Decisions Committee.
- 11.3 The Board **AGREED** the revised membership of the PDC, subject to the agreement to the appointment of the independent members by the Mayor of London.
- 11.4 Subject to the above agreements, the Board **DELEGATED** to the Chief Executive to issue appointment letters to the independent members.
- 11.5 The Board **NOTED** that the Corporation Chairman will be asked to approve a PDC committee member to chair PDC meetings in the absence of the Committee Chair. The Committee Chair noted that he was content with this approach.
- 11.6 The Board **AGREED** the revised terms of reference for the Planning Decisions Committee.
- 12 Treasury Management strategy**
- 12.1 The Executive Director of Finance and Corporate Services introduced Report 9 which set sought approval of the LLDC's Treasury Management Strategy Statement (TMSS) for 2013-14. He noted that the LLDC would be joining the GLA's treasury management function on the same terms as the London Fire and Emergency Planning Authority and the Mayor's Office for Policing and Crime.
- 12.2 The Board **APPROVED** the TMSS, relevant Prudential Indicators, Treasury Management Policy Statement and Minimum Revenue Provision Policy.
- 12.3 The Board **DELEGATED** the production, maintenance and approval of Treasury Management Practices (TMPs), subordinate to this TMSS, to the Executive Director of Finance and Corporate Services.

13 Three Year Business plan

- 13.1 The Executive Director of Finance and Corporate Services introduced Report 10 which sought Board approval for the Legacy Corporation's three-year business plan for the period 2013/14 – 2015/16.
- 13.2 The Chief Executive noted the Business Plan highlights the budget pressures facing the Legacy Corporation and discussions are underway with the GLA about bridging these funding gaps. The Chief Executive noted that the GLA would work with LLDC to address the forecast funding issues in the third year of the business plan and that these will be addressed through the GLA's budget setting process in November.
- 13.3 The Chair invited questions and the following points were raised:
- (a) As the paper highlights the ongoing revenue issues from the third year onwards, Board Members asked when the LLDC had to commit to its revenue expenditure. The Chief Executive noted that the LLDC had ongoing contractual and staff commitments and therefore needed to address the issues in the next budget setting round with the GLA rather than in two year's time. Board Members discussed the implications of the revenue issues and noted that the LLDC could still be considered as a going concern at this stage.
 - (b) The Chief Executive suggested establishing a project board including GLA finance to work through the funding issues during the budget setting process.
 - (c) Board Members requested a paper on the agreement between the Mayor of London and the Department for Culture Media and Sport about the use of receipts from asset sales in the Park and the repayment of the National Lottery.
 - (d) Board Members requested that future iterations of the business plan include a balance sheet.
- 13.4 The Board **APPROVED** the three-year business plan attached to the report.

14 Any urgent business

- 14.1 The Chair noted that he did not have any urgent business to raise in this part of the meeting.

15 Exclusion of the press and public

- 15.1 The Board **AGREED** to exclude the public and press from the meeting, in accordance with Section 100A(4) of the Local Government Act 1972 (the Act), for the next items of business on the grounds that it would be likely to involve the disclosure of exempt information as defined in Part 1, paragraph 1 and paragraph 3 of Schedule 12A of the Act as it either "relates to any individual" or "relates to the financial or business affairs of any particular person (including the MDC holding that information)".
- 15.2 The members of the press and public were excluded at 2.30pm.

16 Minutes of the private session on 19 February 2013

- 16.1 The minutes of the meeting on 19 February 2013 that contained exempted information had been circulated with the papers. The Board **APPROVED** the minutes as an accurate record of the meeting for the Chair to sign.

17 Exempt supplemental information relating to item 4 - Transformation monthly programme dashboard

- 17.1 The Executive Director of Infrastructure introduced the Transformation monthly programme dashboard highlighting any variances in milestones and delivery costs and outlined the top risks and issues.
- 17.2 The Board **NOTED** the Transformation monthly programme dashboard.

18 Exempt information relating to item 11 – Independent Members of the Planning Decisions Committee

- 18.1 The Board **NOTED** the three proposed independent members of the Planning Decisions Committee which was exempt supplemental information relating to the item 11 discussed and approved earlier.

19 Capital and Revenue Budget 2013/14

- 19.1 The Board **APPROVED** the capital and revenue budgets for 2013/14.

20 Press centre and broadcast Centre disposal process

- 20.1 The Chair of the Investment Committee introduced Report 12 noting that the matter had been considered by the Investment Committee at its recent meeting. He noted that good progress had been made to find a long term use for these buildings and recommended that the Chief Executive be given delegated authority to enter into the AfL.
- 20.2 The Board **AGREED** that the Chief Executive is given delegated authority to enter into an AfL with iCITY and the subsequent Lease once planning permission is obtained, subject to the Investment Committee resolving the issue with the equity funding guarantee.
- 20.3 The Board **APPROVED** the Full Business Case for the project.

21 E20 LLP update

- 21.1 The Board **NOTED** Report 13 which set out the minutes of the recent E20 Stadium Limited Liability Partnership (“the LLP”) board meeting.

22 Stadium concessions competition

- 22.1 The Chief Executive noted that as the Concession Agreement has now been signed with West Ham United (WHU), Sir Robin Wales no longer had a conflict of interest in this item.
- 22.2 The Board **NOTED** the report and **AGREED** to the financing proposals set out in the paper and **AGREED** the full business case for the project.

23 Any urgent business

- 23.1 The Chair proposed that the Chief Executive provide the Board with a verbal update on the Barbican / CREATE event. The Chair confirmed that he had determined this to be urgent business as issues had arisen since the publication of the agenda for the meeting and the Chair wanted to ensure that the Board were informed of the latest developments at the earliest opportunity. As the discussion was likely to include information that is exempt under schedule 12A Part 1, paragraph 3 of the Local Government Act 1972, the Chair moved to discuss this in private.
- 23.2 The Board **AGREED** to continue to exclude the public and press for this item of urgent business, in accordance with Section 100A(4) of the Local Government Act 1972.
- 23.3 The Chief Executive gave a verbal update on the Barbican/CREATE event.

24 Close

- 24.1 The meeting closed at 3.20pm.

Signed

Date