

Meeting of the London Legacy Development Corporation Investment Committee

Meeting Date: Tuesday 22 October 2013

Time: 3.00 - 5.00 pm

Venue: Committee rooms 1, City Hall, The Queen's Walk London, SE1 2AA

Members of the London Legacy Development Corporation Investment Committee are hereby notified and requested to attend the meeting of the Investment Committee of the Corporation at 3.00 pm on Tuesday 22 October 2013 to transact the business set out below.

Committee Members:

David Edmonds (Chair)
Neale Coleman CBE
Nicky Dunn
Keith Edelman
David Gregson
Jayne McGivern

1 Apologies for Absence

2 Declarations of Interest

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

3 Minutes of the Previous Meeting Held on 9 September 2013 (Pages 1 - 4)

The Committee is asked to agree the minutes of the meeting held on 9 September 2013.

4 Matters Arising and Actions List (Pages 5 - 6)

The Committee is asked to note the actions arising from the previous meeting.

5 Estates Strategy for the Queen Elizabeth Olympic Park - Overview (Pages 7 - 8)

The Committee is asked to note the report on the overview of estate strategy principles for the Queen Elizabeth Olympic Park.

6 E20 Stadium Limited Liability Partnership Update (Pages 9 - 10)

The Committee is asked to note the report which provides an update on matters being considered by the E20 Stadium Limited Liability Partnership Board.

7 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

8 Date of Next Meeting: 19 November 2013 - 2.00pm at LLDC Offices

9 Exclusion of the Press and Public

Members are recommended to agree to exclude the public and press from the meeting, in accordance with Part 1, paragraph 3 of Schedule 21A of the Local Government Act 1972 (as amended), in order to consider the following items of business.

10 Minutes of the Previous Meeting Held on 9 September 2013 Containing Exempt Information (Pages 11 - 16)

The Committee is asked to agree the minutes of the meeting held on 9 September 2013 that contain exempt information.

11 Estates Management Strategy for the Queen Elizabeth Olympic Park - Exempt Supplemental Information Relating to the Item on Part 1 (Pages 17 - 28)

The Committee is asked to approve the recommendations set out in the report which contains exempt information on the estate strategy for the Queen Elizabeth Olympic Park.

12 E20 Stadium Limited Liability Partnership Update - Exempt supplemental information relating to the Item on Part 1 (Pages 29 - 30)

The Committee is asked to note the Appendix which contains exempt information relating to matters being considered by the E20 Stadium Limited Liability Partnership Board.



Minutes of the Meeting of the London Legacy Development Corporation Investment Committee

Date: 9 September 2013
Time: 2.00pm
Venue: LLDC meeting rooms 1 and 2, Level 10, 1 Stratford Place,
Montfichet Road, London, E20 1EJ

PRESENT: David Edmonds (Chair)
Neale Coleman (LLDC Deputy Chair)
Nicky Dunn

IN ATTENDANCE: Jan Boud, General Counsel, LLDC
Paul Brickell, Executive Director of Regeneration and Community
Partnerships (for Item 10)
Jonathon Dutton, Executive Director of Finance and Corporate
Services
Dennis Hone, Chief Executive, LLDC
Rosanna Lawes, Director of Development, LLDC (for Item 9)
Rachel Massey, Committee Secretary, LLDC
Michelle May, Head of Regeneration (for Item 10)
Michelle Reeves, Mayor's Observer to LLDC Committees, GLA
Sue Riley, Secretariat

1 Apologies for Absence

1.1 Apologies for absence had been received from David Gregson, Jayne McGivern and Keith Edelman.

2 Declarations of Interest

2.1 The Chair noted that Members had declared registrable interests in line with Standing Orders. There were no other declarations.

3 Minutes of the Previous Meeting Held on 15 July 2013

3.1 The Committee agreed the minutes of the meeting held on 15 July 2013 as an accurate record of the meeting to be signed by the Chair.

4 Matters Arising and Actions List

4.1 The Committee noted the actions arising from the previous meeting.

5 Any Other Urgent Business the Chair Considers Urgent

5.1 There was no urgent business.

6 Exclusion of the Press and Public

6.1 The Committee agreed to exclude the public and press from the meeting, in accordance with Part 1, paragraph 3 of schedule 12A of the Local Government Act 1972 (as amended), in order to consider the following items of business.

7 Date of Next Meeting: 22 October 2013 at 3pm at City Hall.

8 Minutes of the Previous Meeting Held on 15 July 2013 that Contain Exempt Information

8.1 The Committee agreed the minutes of the meeting held on 15 July 2013 as an accurate record of the meeting to be signed by the Chair.

9 Legacy Communities Scheme Delivery – Phase 2

9.1 The Director of Development outlined the proposals in the report which sought approval in sourcing the developer partner for the delivery of Phase 2 of the Legacy Communities Scheme.

9.2 The Committee agreed the recommendations in the report and that a revised version be submitted to the Board meeting at its meeting on 17 September 2013.

10 Legacy Communities Scheme Schools Delivery – Next Phase

10.1 The Executive Director of Regeneration and Community Partnerships and the Head of Regeneration introduced the report providing an update on the Legacy Corporation's education work stream.

10.2 The Committee noted the report.

11 District Energy Secondary Networks Update

11.1 The Chief Executive presented the report regarding the maintenance, metering and billing for secondary energy networks.

11.2 The Committee agreed the recommendations in the report and that a revised version be submitted to the Board at its meeting on 17 September 2013.

12 E20 Stadium Partnership Liability Update

- 12.1 The Chief Executive updated the Committee on the recent meeting of the E20 Stadium Limited Liability Partnership Board.
- 12.2 The Committee noted the report.

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Investment Committee Actions List (reported to the meeting on 22 October 2013)

Outstanding Actions from the Last Meeting

Minute No.	Item/Description	Action By	Target Date	Status/note
8.2	Legacy Communities Scheme Delivery – Phase 2 That a revised report be submitted to the Board meeting on 17 September 2013.	Rosanna Lawes	17 September Board meeting	Completed
10.2	District Energy Secondary Networks Update That a revised report be submitted to the Board meeting on 17 September 2013.	Dennis Hone	17 September Board meeting	Completed

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Actions from previous meetings

Minute No.	Item/Description	Action By	Target Date	Status/note
8.3 (17 June 2013)	Community led housing solution Officers to explore other means of developing community leadership in the management of homes and the neighbourhood at Chobham Manor and in future phases of housing development.	Paul Brickell	30 November 2013	In progress

Agenda Item 4

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Subject: Estate Strategy for the Queen Elizabeth Olympic Park - Overview
Meeting Date: 22 October 2013
Report to: Investment Committee
Report of: Rosanna Lawes, Director of Development

For Information

This report will be considered in public

1. Summary

- 1.1. This paper sets out an overview of the principles behind the proposed Estate Strategy for the Queen Elizabeth Olympic Park (QEOP) and the land disposal mechanisms associated with that strategy.
- 1.2. A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12A in that it contains information relating to the business affairs of the London Legacy Development Corporation, Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2. Recommendations

- 2.1 The Committee is invited to:
- 2.2 note the contents of the Paper and the supplemental paper on Part 2 of the agenda; and
- 2.3 approve the recommendations set out in the supplemental paper on Part 2 of the agenda.

3. TIMING

- 3.1. The Corporation needs to further explore the options to create a long term sustainable management structure and present back to the Committee in early 2014.

4. BACKGROUND

- 4.1 The Queen Elizabeth Olympic Park is an immensely important public asset with the responsibility residing with LLDC to ensure the long term management and stewardship of the estate. This paper provides an overview of the LLDC current position and next steps and explores some of the possible models for ensuring the long term stewardship of the park, and the recreational and sporting facilities.
- 4.2 LLDC has sought to work on the principles of the landed estates of London (e.g. Grosvenor, Cadogan, Howard de Walden), who offer excellent examples of the long term vision and management of an Estate. These estates have had the benefit of the freehold ownership and the model exercises a great deal of control through legal structures over design and management quality. They have planned for long term benefit and commercial returns, which has taken time but has been realised through

capital value appreciation and increased rents. This has been re-invested in the further improvement and management of their estate and surrounding areas.

- 4.3 The aim of LLDC's Estate Strategy is to learn from this model and the legislative changes such as the Leasehold Reform Acts to ensure that LLDC manages its land assets to create an income stream that contributes to the management of the estate in the long term. It will be essential that LLDC delivers a high quality environment through the development phase to create a place that is attractive to the market and occupiers. It is essential that this quality is maintained for many years to come.

5. Estate Management Structure and Next Steps

- 5.1. The Queen Elizabeth Olympic Park 'Estate' comprises the following areas:
- The development platforms on which the new neighborhoods and commercial development will be delivered;
 - The Retained Estate is predominantly made up of parkland, public realm, Copper Box Arena, Aquatics, ArcelorMittal Orbit waterways, bridges, highways and utilities infrastructure, once the development platforms have been completed. The report refers throughout to the Estate and is intended to cover both.
- 5.2. LLDC is responsible for the maintenance and management of QEOP and the retained assets in the longer term. The Estate is currently managed through the Estate and Facilities Management (EFM) contract in Balfour Beatty Workplace. The estate management structure must be set up to enable LLDC to capture revenue income (estate charges, rent and ground rent income) from the QEOP Estate to help pay for the upkeep of the Estate.
- 5.3. The Estate Strategy is based on the principle of a fixed estate charge where residential and commercial occupiers will pay a contribution towards LLDC's costs of managing and maintaining the Park Estate in the form of a Fixed Estate Charge.
- 5.4. LLDC has been exploring the establishment of an appropriate estate management entity to provide a level of transparency for the collection and recycling of the estate income stream for the Estate. A number of potential structures have been considered in respect of managing the Estate and LLDC will continue to explore the appropriate structure in the next phase of work.

6. Legal And Financial Implications

- 6.1 These will be addressed in the next phase of work.

7. Appendices

A paper on Part 2 of the agenda contains exempt supplemental information.

Background papers
None

Report originator:
Email:

Rosanna Lawes
rosannalawes@londonlegacy.co.uk



Subject: E20 Stadium Limited Liability Partnership Update
Meeting Date: 22 October 2013
Report to: Investment Committee
Report of: Colin Naish, Executive Director of Infrastructure

For Information

This report will be considered in public

1. Summary

- 1.1. This paper provides an update on matters being considered by the E20 Stadium Limited Liability Partnership (“the LLP”).
- 1.2. A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12A in that it contains information relating to the business affairs of the London Legacy Development Corporation.

2. Recommendation

- 2.1 The Investment Committee is invited to note this report and the supplemental paper on Part 2 of the agenda.

3. Background

- 3.1. An update on the LLP was last considered by the Committee at its meeting on 9 September 2013. The LLP Board is not meeting in October, so the paper in Part 2 of the agenda provides an update on key workstreams including an update on the Stadium operator strategy and naming rights, the status of the transformation works and the E20 LLP governance arrangements.

4. List of Appendices to this Report

- 4.1. A paper on Part 2 of the agenda contains exempt supplemental information.

List of Background Papers
None

Report originator(s): Oli Condé
Telephone: 020 3288 1841
Email: oliconde@londonlegacy.co.uk

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