



14 June 2024

INFORMATION REQUEST REFERENCE 24-012

Thank you for your information request, received on 18 March 2024, following on from our response to your request ref: 24-009. You asked the London Legacy Development Corporation (Legacy Corporation) to provide the following information under the Freedom of Information Act 2000 (FOIA):

“Unfortunately this did not clarify or confirm my request, can you please provide further clarification?”

Regarding further calculations of the FEC, my managing agent has informed me:

‘The LLDC entered into leases with the Chobham Manor LLP (the tenant) and the Chobham Manor Property Management Limited (the management company). The LLP is jointly owned by Taylor Wimpey and L&Q.

Taylor Wimpey annually provide this information to the LLDC to enable the LLDC to invoice the LLP. In turn the LLP through the FEC agreement employed the managing agent to levy this charge to the private owners.’

1. *Why does my lease that I signed in 2021 state a FEC of £1159 and my FEC 2023/24 is £1554? This is not an inflationary increase but somewhat more (see table from first request), so in fact private owners (myself) are being miss sold the rate of the FEC at time of sale.*
2. *How was the 2016 FEC base rate determined and why was RPI applied? Please provide transparent documentation/ records for the benchmarking between the Legacy Corporation’s Investment Committee and Board in 2014*
3. *A Deputy Mayors February 2023 recommendation was to “freeze RPI,” what due diligence was done to freeze RPI? Bearing in mind March 2023 RPI was 13.5%+ Who is accountable for this decision please? Please provide documentation. It must be noted that residents are seeing significant financial pressures who pay three times for the upkeep of their neighbourhood (council tax, a service charge and the park charge).”*

- Q1. *Why does my lease that I signed in 2021 state a FEC of £1159 and my FEC 2023/24 is £1554? This is not an inflationary increase but somewhat more (see table from first request), so in fact private owners (myself) are being miss sold the rate of the FEC at time of sale.*

The Legacy Corporation does not hold the information that you have requested. We do not hold any information in relation to a comparison or other analysis between your 2021 FEC and current. As previously stated in our response reference FOI 24-009, the FEC charge is calculated using the Retail Prices Index (RPI) not inflation as calculated by BofE using the Consumer Price Index (CPI).

Q2. How was the 2016 FEC base rate determined and why was RPI applied? Please provide transparent documentation/ records for the benchmarking between the Legacy Corporation's Investment Committee and Board in 2014

The 2016 FEC base rate was determined following analysis of market comparators. Please find the relevant Board and Committee papers attached:

Annex A: 2013-10-22 PRIVATE Investment Committee Item 11 – Estate QEOP.

Annex B: 2013-10-22 PRIVATE Investment Committee minutes.

Annex C: 2014-04-30 PRIVATE Board Item 27 Estate Strategy.

Annex D: 2014-04-30 PRIVATE Board minutes.

The decision to apply RPI is set out in Annex E and the minutes of the meeting at Annex F. Annex E contains a copy of an earlier EMT paper from June 2015 and the minutes of this meeting are also included.

Annex E: 2015-12-21 EMT Addendum report: QEOP Fixed Estate Charge (FEC) analysis (*Appendix 7 was incorrectly labelled as "April 2015 EMT paper" and was an EMT paper from June 2015*)

Annex F: 2015-12-21 EMT weekly actions.

Annex G: 2015-06-08 EMT weekly actions.

Please be advised that information not relevant to your request has been extracted. Information has also been withheld under the following FOIA exemptions: Section 40 – personal information and Section 43 – commercial interests.

Section 40(2) –personal information

(2) Any information to which a request for information relates is also exempt information if –

(a) it constitutes personal data which does not fall within subsection (1), and

(b) the first, second or third condition below is satisfied.

It is the standard practice of the Legacy Corporation to redact personal information for those members of staff under Head of Service level, and for non-Legacy Corporation personnel unless consent to release the information has been received. Phone numbers have also been redacted.

The section 40 exemption is absolute and is not subject to the public interest test. In this instance, the relevant condition that applies is section 40(2) whereby the information is defined as personal data within s.3(2) of the Data Protection Act 2018.

Section 43(2) - Commercial interests.

(2) Information is exempt information if its disclosure under this Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

Section 43(2) is a qualified exemption and subject to the prejudice test and the public interest test. Under the prejudice test we have to consider if disclosure of this information would, or would be likely to, prejudice our commercial interests or the commercial interests of a third party.

Consideration is also given to the harm disclosing this information would be likely to cause, combined with other information already in the public domain (mosaic effect) or possibly released at a future date (precedent effect). The public interest test considers and balances the public interest in disclosing this information against the public interest in not disclosing this information and uses this assessment to decide whether there is sufficient justification in withholding this information under this exemption.

Information disclosed under the FOIA is considered to be public information, and while there is a presumption towards disclosure, consideration needs to be given as to who will have access to this information beyond the requestor and the purposes for which they could use the information.

Prejudice to commercial interests.

The Legacy Corporation has assessed the impact of releasing the information redacted under the exemption s.43 – commercial interests, in order to decide whether disclosure would, or would be likely to, prejudice their commercial interests or those of any third party(ies). They have concluded that prejudice to commercial interests would be caused by disclosure so that the exemption is engaged.

The Legacy Corporation consider that releasing the information redacted under section 43(2) would prejudice the parties' commercial interests as it would reveal information about their business models which could harm their ability to negotiate future commercial arrangements on their sites.

Public Interest Test

There is, of course, a public interest in promoting transparency of public authorities' decisions and accountability, however, the disclosure of the information within the Annexes identified as commercially sensitive would be likely to prejudice commercial interests of third parties as it could harm their ability to negotiate future commercial arrangements on their sites and likely to prejudice the Legacy Corporation's collaborative working with other Great Estates by revealing their commercial business models.

It is the view of the Legacy Corporation that, at this time, the public interest in withholding the information outweighs the public interest in disclosing it.

Q3. A Deputy Mayors February 2023 recommendation was to "freeze RPI," what due diligence was done to freeze RPI? Bearing in mind March 2023 RPI was 13.5%+ Who is accountable for this decision please? Please provide documentation. It must be noted that residents are seeing significant financial pressures who pay three times for the upkeep of their neighbourhood (council tax, a service charge and the park charge)."

The Legacy Corporation does not hold information on a recommendation to freeze RPI. Freezing RPI was never a recommendation. The Legacy Corporation response to the Mayoral review and recommendation of consideration to a temporary cap is publicly available on the Legacy Corporation website on the Fixed Estate Charge page: [Fixed Estate Charge | Queen Elizabeth Olympic Park](#).

Information that is not relevant to the request has been withheld.

If you are unhappy with our response to your request and wish to make a request for an internal review of our response, you should write to:

Deputy Chief Executive
London Legacy Development Corporation
Level 9
5 Endeavour Square
Stratford
E20 1JN

Email: FOI@londonlegacy.co.uk

Please note: requests for internal reviews received more than forty working days after the initial response will not be handled.

If you are not content with the outcome of the internal review, you may appeal directly to the Information Commissioner at the address given below. You should do this within two months of our final decision. There is no charge for making an appeal.

Further information on the Freedom of Information Act 2000 is available from the Information Commissioner's Office:

Wycliffe House
Water Lane
Wilmslow
SK9 5AF

Telephone 08456 30 60 60 or 01625 54 57 45

Website www.ico.gov.uk

Yours sincerely

FOI / EIR Co-ordinator
London Legacy Development Corporation