

Meeting of the London Legacy Development Corporation Investment Committee

Meeting Date: Thursday 30 January 2014

Time: 3.00 - 5.00 pm

Venue: Committee Room 5, 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 Thursday 30 January 2014 to transact the business set out below.

Committee Members:

David Edmonds CBE (Chairman)
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 Meetings (Pages 1 - 6)

The Committee is asked to agree the minutes of the meetings held on 19 November and 26 November 2013.

4 Matters Arising and Actions List (Pages 7 - 8)

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

5 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.

6 Waterways Project Business Case (Pages 11 - 12)

The Committee is asked to approve the Waterways Project Business Case which recommends entering into an agreement with the Canal and River Trust.

7 Update on East Wick and Sweetwater Procurement (Pages 13 - 14)

The Committee is asked to note the report which provides an update on the procurement process and proposed planning application for the new neighbourhoods of East Wick and Sweetwater on the Queen Elizabeth Olympic Park.

8 Any Other Business the Chairman Considers Urgent

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

9 Date of Next Meeting

The next meeting of the Investment Committee is due to be held on Thursday 27 February 2013.

10 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 Schedule 12A of the Local Government Act 1972 (as amended), in order to consider the following items of business.

11 Minutes of Previous Meetings (Pages 15 - 20)

The Committee is asked to agree the minutes of the meetings held on 19 November and 26 November 2013 that contain exempt information.

12 E20 Stadium Limited Liability Partnership Update - Exempt Supplemental Information (Pages 21 - 24)

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, relating to the item on Part 1 of the agenda.

13 Waterways Business Case - Exempt Supplemental Information relating to the Item on Part 1 (Pages 25 - 74)

The Committee is asked to agree the recommendations as set out in the report relating to the Waterways Project Business Case and entering into an agreement with the Canal and River Trust.

14 Update on East Wick and Sweetwater Procurement - Exempt Supplemental Information Relating to the Item on Part 1 (Pages 75 - 82)

The Committee is asked to agree the recommendations set out in the report relating to procurement approach and draft evaluation criteria.

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

Date: Tuesday 19 November 2013
Time: 2.00 pm
Venue: LLDC meeting rooms 1 and 2, Level 10, 1 Stratford Place, Montfichet Road, London, E20 1EJ

Present: David Edmonds (Chairman)
Neale Coleman CBE (Deputy Chairman)
Nicky Dunn
Keith Edelman
David Gregson
Jayne McGivern

In Attendance: Dennis Hone, Chief Executive
Jonathan Dutton, Executive Director of Finance and Corporate Services,
Colin Naish, Executive Director of Infrastructure
Jan Boud, General Counsel
Michelle Reeves, Mayor's Observer, GLA
Rachel Massey, Secretariat
Sue Riley, Secretariat, GLA

1 Apologies for Absence

1.1 There were no apologies for absence.

2 Declarations of Interest

2.1 The Chairman noted that Members had declared registrable interests in line with the relevant Standing Orders and asked Members to confirm if they had any interests or additional interests to be declared related to matters listed on the agenda other than those already made and included in the register.

2.2 Jayne McGivern and Keith Edelman would contact the Secretariat to update their registrable interests. There were no additional declarations of interest.

3 Minutes of the Previous Meeting held on 22 October 2013

3.1 It was agreed that the minutes of the meeting of the Investment Committee held on 22 October 2013 be signed by the Chair as a correct record.

4 Matters Arising and Actions List

4.1 The Committee noted the Actions List.

5 E20 Stadium Limited Liability Partnership Update

5.1 The Executive Director of Infrastructure presented the report on matters being considered by the E20 Stadium Limited Liability Partnership at its meeting on 19 November 2013.

5.2 The Committee noted the update and the supplemental report on Part 2 of the agenda.

6 E20 Stadium Limited Liability Partnership - Governance Arrangements

6.1 The Executive Director of Infrastructure introduced the report providing an update on the governance arrangements for the E20 Stadium Limited Liability Partnership.

6.2 The Committee noted the report and the supplemental report on Part 2 of the agenda.

7 Stadium Tier 1 Contractor and Transformation Update

7.1 The Executive Director of Infrastructure presented the paper updating the Committee on transformation works to the main Stadium.

7.2 The Committee noted the report and the supplemental report on Part 2 of the agenda.

8 Any Other Business the Chair Considers Urgent

8.1 There was no urgent business.

9 Date of Next Meeting

9.1 The date of the next meeting had yet to be confirmed but it was agreed that Secretariat would co-ordinate with Members outside of the meeting to arrange a meeting for January 2014.

10 Exclusion of the Press and Public

10.1 It was agreed that the public and press be excluded from the meeting, in accordance with Part 1, paragraph 3 of Schedule 21A to the Local Government Act 1972 (as amended), in order to consider the exempt papers. Each of these papers contained information relating to the financial or business affairs of a person or authority.

11 Minutes of the Previous Meeting held On 22 October 2013 that Contain Exempt Information

11.1 It was agreed that the minutes of the meeting of the Investment Committee held on 22 October 2013 containing exempt information be signed by the Chairman as a correct record.

12 E20 Stadium Limited Liability Partnership Update: Exempt Supplemental Information Relating to the Item on Part 1

12.1 The Executive Director of Infrastructure introduced the Appendix to the Part 1 report with an update on the developments across a number of key work streams since the last meeting.

12.2 The Committee:

- (a) agreed that an informal update presentation for members of the LLDC Investment Committee and members of the E20 LLP board on the naming rights package for the Stadium, Copper Box Arena and Aquatics Centre, be held in advance of the E20 LLP meeting on 10 December 2013.**

13 E20 Stadium Limited Partnership - Governance Arrangements - Exempt Supplemental Information Relating to the Item on Part 1

13.1 The Executive Director of Infrastructure and General Counsel introduced the exempt information updating the Committee on governance arrangements for the E20 Stadium Limited Liability Partnership.

13.2 The Committee:

- (a) noted the contents of the report;**
- (b) gave approval for the London Legacy Development Corporation (LLDC) enters into a Deed of Variation (tabled at the meeting) of the Members Agreement relating to E20 Stadium Limited Liability Partnership (LLP) to allow the Board of the LLP to delegate matters to officers of the LLDC and the associated Scheme of Delegations;**
- (c) noted that a proposed Scheme of Delegations is being developed by the LLDC and Newham Legacy Investments;**
- (d) agreed to delegate to the Chair of the Investment Committee the final wording of the Scheme of Delegations on behalf of the LLDC; and**
- (e) approved that the LLP amends its first accounting reference date from 31 July 2012 to 31 March 2013.**

14 Stadium Tier 1 Contractor - Exempt Supplemental Information Relating to the Item on Part 1

14.1 The Executive Director of Infrastructure introduced the exempt supplemental information updating Members on the Stadium Tier 1 contractor procurement and transformation works.

14.2 The Committee approved the recommendations in the report and agreed to hold an extraordinary meeting on 26 November 2013 preceding the LLDC Board meeting to consider further information being considered by the LLDC Board on that day.

15 Close of Meeting

15.1 The meeting closed at 3.30pm.

Chair

Date

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

Date: Tuesday 26 November 2013
Time: 12.30 pm
Venue: Committee Room 4, City Hall, The Queen's Walk, London, SE1 2AA

Present: Neale Coleman CBE, Chairman
Keith Edelman
David Gregson
Jayne McGivern

In Attendance: Dennis Hone, CBE, Chief Executive
Jonathan Dutton, Executive Director of Finance and Corporate Services
Colin Naish, Executive Director of Infrastructure
Jan Boud, General Counsel
Michelle Reeves, Mayor's Observer, GLA
Rachel Massey, Secretariat
Sue Riley, Secretariat, GLA

1 Apologies for Absence

- 1.1 Apologies for absence were received on behalf of David Edmonds and Nicky Dunn.
- 1.2 In the absence of the Chair, and in accordance with the Committee's Terms of Reference, Neale Coleman was elected as Chair for the duration of the meeting.

2 Declarations of Interest

- 2.1 The Chair noted that Members had declared registrable interests in line with the relevant Standing Orders and asked Members to confirm if they had any interests or additional interests to be declared related to matters listed on the agenda other than those already made and included in the register. No additional interests were declared.

3 Stadium Tier 1 Contract

- 3.1 The Executive Director of Infrastructure presented the report updating the Committee on the Stadium Tier 1 contractor procurement.

3.2 The Committee:

- a) noted the report ; and
- b) noted the report included on Part 2 of the agenda.

4 Exclusion of the Press and Public

- 4.1 It was agreed that the public and press be excluded from the meeting, in accordance with Part 1, paragraph 3 of Schedule 21A to the Local Government Act 1972 (as amended), in order to consider the exempt papers. Each of these papers contained information relating to the financial or business affairs of a person or authority.**

5 Stadium Tier 1 Contract

- 5.1 The Executive Director of Infrastructure introduced the report updating the Committee on the Stadium Tier 1 contractor procurement and gave a presentation, setting out the detail of the procurement process and updating Members on developments since the Investment Committee meeting of 19 November 2013. It was noted that the same presentation would be made, following the meeting, to the Legacy Corporation Board.
- 5.2 Discussions had been held with the GLA to provide cash flow funding for the Stadium, which would be repaid once the Chobham Manor receipts were obtained, starting in 2016/17.
- 5.3 The Committee:**
- a) noted the contractor tender returns;
 - b) endorsed the recommendation of the Tier 1 tender evaluation report for approval to the Board, subject to formal confirmation from the GLA of the funding agreement, including the discussions around risk as set out above; and
 - c) congratulated officers at the Legacy Corporation for their work towards the award of the Tier 1 contract.

Chair

Date

Investment Committee Actions List (reported to the meeting on 30 January 2014)

Outstanding Actions from the Last Meeting

Minute No.	Item/Description	Action By	Target Date	Status/note
14.2	<p>Stadium Tier 1 Contractor</p> <p>Hold an extraordinary meeting of the Investment Committee to consider further information being considered by the Board meeting on 26 November 2013</p>	Dennis Hone	26 November 2013	Completed.

Actions from previous meetings

Minute No.	Item/Description	Action By	Target Date	Status/note
Exempt Item 4.7 (22 October 2013)	<p>E20 LLP update</p> <p>Confirm if LLDC was required, under the Localism Act 2011 and/or the LLDC Governance Direction 2013, to obtain consent from the Mayor to be able to grant the lease for the Olympic Stadium to E20 Stadium LLP.</p>	Jan Boud	19 November 2013	Completed. Consent received. Lease signed.
8.3 (17 June 2013)	<p>Community led housing solution</p> <p>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.</p>	Paul Brickell and Rosanna Lawes	31 October 2014	In progress, being discussed with LCS Phase 2 bidders

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Subject: E20 Stadium Limited Liability Partnership update
Meeting date: 30 January 2014
Report to: Investment Committee
Report of: Colin Naish, Executive Director of Infrastructure

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") at their next meeting on 13 February 2014.
- 1.2 An appendix 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 asked to note this report and the supplemental appendix 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 19 November 2013. At the next LLP meeting on 13 February 2014, the LLP Board will be updated on progress in key workstreams, including:
- 3.2 Transformation works:
 - a) The Tier 1 contractor procurement was concluded by the award and signing of a contract with Balfour Beatty. A press announcement was released on 6 January. The roof works (also awarded to Balfour Beatty) and M&E contracts will be novated into the Tier 1 contract.
 - b) Alto have been awarded the contract for the seating works; contracts are to be signed this month and Alto will now commence the construction of a prototype seating system to demonstrate their solution.
 - c) The roof works have progressed smoothly thus far, with all lighting towers removed on schedule.
- 3.3 Operator procurement:
 - a) The PQQ was launched on 6 January for the Stadium Plus Operator services. Soft market testing was positive with strong market interest in the opportunity.
 - b) The PQQ return date is 14 February, with short listing to follow and the publication of tender documents and the Operator specification to shortlisted bidders on 21 March.
 - c) The target date for the appointment of the Operator is September 2014.

3.4 Lease:

- a) The Lease from LLDC to the LLP was signed on 20 December 2013.

4 List of Appendices to this Report

- 4.1 An appendix on Part 2 of the agenda contains exempt supplemental information.

List of Background Papers

None

Report originator(s):

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Subject: Waterways Project Business Case
Meeting date: 30 January 2014
Report to: Investment Committee
Report of: Sophie Hirsch – Senior Development Manager

This report will be considered in public

1. Summary

- 1.1. This paper seeks Investment Committee approval for the Waterways Project Business Case. The Business Case recommends entering into a commercial and legally binding agreement with the Canal and River Trust (“the Trust”) to cover property rights granted both to and by the Trust and the targeted investment in and management of waterways in and around the Queen Elizabeth Olympic Park.
- 1.2. A report 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. Recommendations

- 2.1 The Committee is asked to:**
- 2.2 Note the report in Part 2.**
- 2.3 Approve the Business Case at Part 2 and agree to the Legacy Corporation undertaking the following activities:**
 - 2.3.1 Sign Heads of Terms for the Olympic Waterways Legacy (OWL) Agreement;**
 - 2.3.2 Procure contractors to deliver works on Stratford Waterfront (subject to 2.3.1 above);**
 - 2.3.3 Publish the jointly produced Olympic Legacy Waterways Framework (subject to 2.3.1 above);**
 - 2.3.4 Enter into the OWL Agreement, subject to Final Project Approval (FPA);**
 - 2.3.5 Enter into various Deeds of Grant of Easement, Leases and Licences as provided for in the OWL Agreement;**
 - 2.3.6 Enter into a Deed of Grant of Easement for the Surface Water Discharge (SWD) Network, subject to FPA;**
- 2.4 Note that Mayoral consent may be required in order to enter into the Deed of Grant of Easement for SWD as the right is required in perpetuity and will**

therefore commit the Corporation to annual payments which extend beyond the 10-year Business Plan period.

3. Timing

Investment Committee approval is pressing as the OWL Agreement and associated contracts are due to be completed at the end of February 2014, in order to provide certainty to the 10 year Business Plan.

4. Financial Implications & Legal Implications

4.1. The financial and legal implications have been addressed and noted in the supplementary paper to this report.

5. Priority Themes

5.1. The Waterways project provides opportunities for the Corporation to deliver on all of the priority themes and contribute to its aspirations around People, Park, Place.

List of Background Papers:

None

Report originator(s): Sophie Hirsch, Senior Development Manager
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Subject: Update on East Wick and Sweetwater Procurement
Meeting date: 30 January 2014
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 provides an update to Investment Committee on the procurement process and proposed Planning Application for East Wick and Sweetwater.
- 1.2. A report 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 agree the recommendations in the supplemental report on Part 2 of the agenda.**

3. Timing

- 3.1. The procurement is ongoing and a further update and any decisions required will be provided at the next meeting of the Committee. The Planning Application is due to be submitted in February 2014.

4. Procurement Update

- 4.1. The Investment Committee and Board have considered the accelerated delivery of East Wick and Sweetwater at their respective meetings in July and September 2013. The Legacy Corporation launched an OJEU procurement process on 17 November 2013 and PQQ Applications are due to be received on 23 February 2014. Further updates will be given to the Committee at key stages during the procurement process.
- 4.2. Further information containing exempt information is contained in the supplementary paper to this report.

5. Planning Application

- 5.1. The Legacy Corporation will submit a planning application in early February 2014, which will seek to amend the Legacy Communities Scheme (LCS) in relation to the following elements:
 - 5.1.1. Revising phasing to account for accelerated delivery of PDZ4 and PDZ5
 - 5.1.2. Removing the planning condition to set-back the "Crescent" by 15m

- 5.1.3. Reducing the affordable housing target for PDZ4 and PDZ5 to account for the loss in value by accelerating the scheme.
- 5.2. Further information containing exempt information is contained in the supplementary paper to this report.

6. Financial Implications

- 6.1. The financial implications have been addressed and noted in the supplementary paper to this report.

7. Legal Implications

- 7.1. The Legacy Corporation's legal department and appropriate external advisors are engaged with the procurement process and planning application.

8. List of Appendices to this report

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

List of Background Papers

Papers for the meeting of the Investment Committee on 15 July 2013 and 9 September 2013 (exempt information)

Papers for the meeting of the Board on 23 July 2013 and 17 September 2013 (exempt information)

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