

FEES & CHARGES POLICY – V1.2

Document Control

Title	Fees & Charges Policy for QEOP Venues & Parklands
Organisation	London Legacy Development Corporation
Description	This policy sets the guidelines for increases in the fees and charges applied at venues where LLDC has direct control or influence over the charges set.
Author(s)	Edward Fane, Head of Venues
Date	October 2024
Approvals	Investment Committee
Distribution	Park Operations & Venues
Protective Marking	Protect

Version Control

Version	Date	Amendments	Author
V0.1	12.02.15	Draft policy	Peter Tudor
V0.2	17.02.15	Following EMT	Mark Camley
V1.0	03.03.15	Approved with minor wording change agreed at Investment Committee (3 March 2015)	Peter Tudor
V1.1	09.11.15	Updated with minor wording amendment agreed at Investment Committee (9 June 2015)	Peter Tudor
V1.2	16.10.24	Updated with minor wording amendment to reflect changes to the Parks operating contracts, approved by EMT (14 October 2024)	Edward Fane

1 CONTEXT

- 1.1 This policy updates the previously approved policy of 2015 considering recent operator and contract changes.
- 1.2 LLDC does not have a single policy approach to setting fees and charges. In broad terms LLDC's approach has been based on balancing full commercial rates with encouraging local engagement and use. This has led to a range of pricing approaches. In general terms Business-to-Business pricing is more market price orientated than Consumer pricing which is designed to encourage use of the venues.
- 1.3 LLDC has a range of commercial contracts in place for the venues, catering outlets and other activity within QEOP and other projects. The exact terms of the contracts vary, as does LLDC's direct influence over the fees and charges which can be applied. These are summarised in the table in the Appendix.
- 1.4 LLDC sets only a subset of fees and charges within the Park and Venues (see Appendix). This paper focuses on the approach to those fees and charges we can set.

2 POLICY

- 2.1 LLDC's pricing should breakeven and work towards a surplus to contribute to the management and operation of the Park and Venues. However, price increases need to sit within the context of local pricing.

3 PRICE REVIEW METHODOLOGY

- 3.1 Given the range of fees and charges, even where LLDC set the charging mechanism different factors come into play. These range from simple indexation (e.g. CPI and RPI) to comparing with local prices. The individual charging regimes are largely set out in operator contracts, although LLDC set a few directly (e.g. Park event/filming rate card). Details of the approach are set out in the Appendix.

4 APPROVAL PROCESS

- 4.1 Individual price rises will be considered by the LLDC, Executive Management Team (EMT) with any proposals outside of contractual agreements that EMT support being presented to the Investment Committee for approval and to the Board for noting. The Mayor of London and the four neighbouring boroughs will also be notified of sensitive price increases before the Board meeting.
- 4.2 The process will be:

	VENUES & FACILITIES	LAC	AMO & CBA
1	The Venue Operator will submit proposed fees and charges for the subsequent financial year no later than the last day	The Operator is required to submit background information, such as 4GB prices for similar facilities. This is part of the	The Operator will submit proposed fees and charges for the subsequent financial year no later than the last day

	VENUES & FACILITIES	LAC	AMO & CBA
	of February of the preceding year. This is part of the business planning process for the year, and identifies the impact on forecast income and highlights anticipated expenditure issues.	business planning process for the year, and identifies the impact on forecast income and highlights anticipated expenditure issues.	of February of the preceding year. This is part of the business planning process for the year, and identifies the impact on forecast income and highlights anticipated expenditure issues.
2	<p>LLDC Park Operations & Venues Team will review the proposals and test them against LLDC's Fees & Charges Policy and LLDC's strategic objectives. Other tests may include:</p> <ul style="list-style-type: none"> • Benchmarking against similar facility. • Ensuring appropriate costs are covered. • Ensuring LLDC Priority Theme commitments are maintained where feasible. • Demand for facility. • Viability of proposed price adjustments in line with operating budgets. • Expert third party analysis. 	LLDC Park Operations & Venues Team will review the proposals and test them against LLDC's Fees & Charges Policy and LLDC's strategic objectives.	<p>LLDC Park Operations & Venues Team will review the proposals and test them against LLDC's Fees & Charges Policy and LLDC's strategic objectives. Other tests may include:</p> <ul style="list-style-type: none"> • Benchmarking against similar facility. • Ensuring appropriate costs are covered. • Ensuring LLDC Priority Theme commitments are maintained where feasible. • Demand for facility. • Viability of proposed price adjustments in line with operating budgets. • Expert third party analysis.
3	Where LLDC can benefit from enhanced revenue (eg: turnover share) the relevant officers will provide the appropriate challenge/check process to the operator to ensure that rates proposed are appropriate.	n/a	Where LLDC can benefit from enhanced revenue (e.g.: turnover share) the relevant officers will provide the appropriate challenge/check process to the operator to ensure that rates proposed are appropriate.
4	Where LLDC is responsible for charging the fees directly (e.g.: event	n/a	n/a

	VENUES & FACILITIES	LAC	AMO & CBA
	spaces, filming/location and some car parking), rate card proposals are annually benchmarked against other similar spaces and updated when appropriate.		
5	Approval: Investment Committee via EMT. Noted at Board	Approval: Investment Committee via EMT. Noted at Board	Approval: Investment Committee via EMT. Noted at Board

4.3 The rate card for hire fees for external Parklands events and filming is reviewed annually and is updated when appropriate by 31 March of the preceding year. For example, the rate card for 2025/26 will be set by the end of March 2025.

4.4 In certain cases, it may be appropriate for LLDC to provide a more direct influence on the operator in order to ensure venue viability and where LLDC meets costs separately from the venue operator. This process will be documented as part of the Quarter 4 activity outlined in the table above.

4.5 All fees and charges should be approved and set no later than the fifteenth day of March each year to enable the necessary changes to be put into place prior to the start of the next financial year.

5 REVIEW

5.1 This process will be reviewed annually and updated as determined by the operating environment.

APPENDIX: SUMMARY OF FEES/CHARGES IN CURRENT CONTRACTS

Project	Entry Charges	Hire Charge	Lease Rent	Estate Charge	Notes
QEOP Commercial events & filming	✘	✓	n/a	n/a	Set by LLDC.
Copper Box Arena (CBA)	✘	✘	set in contract	set in contract	Set by GLL.
London Aquatics Centre (LAC)	✓	✓	set in contract	set in contract	Everyone Active proposes and LLDC test and approve. EA may increase prices to levels no higher than the top 4GB prices at that time. Operator contract states that the Operator shall undertake an annual review of pricing, yielding and priority groups in collaboration with the Client, with appropriate analysis of relevant pricing in the 4GB. Any alterations in the pricing must be approved by the Client.
ArcelorMittal Orbit	✘	✘	n/a	set in contract	Set by the Operator.
Podium	✘	✘	set in contract	set in contract	Set by the Operator.
Timber Lodge	✘	✘	set in contract	set in contract	Set by the Operator.
Kiosks	✘	n/a	set in contract	n/a	
Three Mills Studios	✘	✓	n/a	n/a	Set by LLDC in agreement with the operator.
LAC Car Parking	✓	n/a	n/a	n/a	Everyone Active proposes and LLDC test and approve, benchmarked against local prices.
CBA Car Parking	✘	n/a	n/a	n/a	Set by GLL.
Multi-Storey Car Park	✓	✓	n/a	n/a	Set by LLDC.

Key

✘	LLDC cannot affect directly or entry charges do not apply	✓	LLDC can stipulate the charges
---	---	---	--------------------------------

