

2025/26 Budget Submission

1. SUMMARY

- 1.1. This report sets out London Legacy Development Corporation's (LLDC) 2025/26 capital and revenue budget submission to the Mayor of London (the Mayor). The submission is prepared in accordance with the Mayor's Budget Guidance, which was issued in July 2024. The revenue budget submission is required to cover the financial years 2025/26, 2026/27 and 2027/28.
- 1.2. There is also a requirement to produce a Capital Strategy as part of the submission and a climate budget, which is prepared in line with the Mayor's target of making London net zero carbon by 2030.

2. BACKGROUND

- 2.1. LLDC's budget forms part of the GLA Group budget. The GLA statutory budget process ensures there are robust financial plans to support Mayoral objectives and priorities within available resources.
- 2.2. As for all members of the GLA Group, LLDC is required¹ to produce a Capital Strategy. The purpose of the GLA Group Capital Strategy is to set out the Mayor's capital investment ambition and funding thereof. The strategy demonstrates that the GLA Group's capital expenditure and investment decisions are made in line with Mayoral priorities and properly take account of stewardship, value for money, prudence, sustainability and affordability, and give due regard to risk and reward. LLDC's Capital Strategy 2025/26 is attached at Appendix 4 and covers the content required by the Mayor's Budget Guidance.
- 2.3. LLDC, along with the other members of the GLA Group, is also required to produce a climate budget, which helps provide transparency on required actions across the GLA Group and the gap/deviations to targets. The Mayor's London Climate Budget is intended to be transparent and clearly visualise for Londoners, the London Assembly and other stakeholders, how the GLA Group is prioritising efforts to achieve its emissions target and any challenges faced.
- 2.4. The Mayor requires all GLA functional bodies, including LLDC, to support his aims and priorities for London in their business plans and budgets. Many of LLDC's deliverables align to the Mayor's priorities. A summary of how LLDC is supporting the Mayor's priorities is shown in the following table, setting out the Mayor's priorities, how they are to be achieved and what LLDC is doing to deliver them.

¹ By the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code

Mayor's priorities	Mayor's activities	LLDC activities
<p style="text-align: center;">Housing</p>	<ul style="list-style-type: none"> • The five priorities of the Mayor's London Housing Strategy are: <ul style="list-style-type: none"> ○ building homes for Londoners; ○ delivering genuinely affordable homes; ○ high quality homes and inclusive neighbourhoods; ○ a fairer deal for private renters and leaseholders; and ○ tackling homelessness and helping rough sleepers. 	<ul style="list-style-type: none"> • First two Park neighbourhoods, Chobham Manor and East Wick and Sweetwater – 35% and 34% affordable and build to rent (at East Wick and Sweetwater) • 14,300 homes in planning area by 2023 (21,000 overall since 2014) • 50% affordable housing to be delivered on a portfolio basis across Stratford Waterfront, Pudding Mill Lane, Rick Roberts Way • Joint ventures to deliver the Stratford Waterfront, Pudding Mill Lane and Bridgewater (part of Pudding Mill Lane) residential developments • Rick Roberts Way is being delivered via a Development Agreement.
<p>Business and Economy</p>	<ul style="list-style-type: none"> • Global London (London's visitor economy, A Smart London for all, Digital connectivity, London & Partners) • Championing business (small and established businesses, flexible workspaces, supporting London's sectors growth, Business Improvement Districts, UK Shared Prosperity Fund) • Jobs, skills and good work (The Mayor's Good Work Standard, London Living Wage, London Anchor Institutions Network, Jobs and skills, London Research and Policy Partnership) 	<ul style="list-style-type: none"> • Here East: Loughborough University, Plexal, Ford Innovation • International Quarter: Transport for London, Financial Conduct Authority, Cancer Research UK, British Council • London Living Wage: paid to all employees and Tier 1 Park contractors • 170,000m² workspace granted including 18,000m² low cost space for small business and start-ups • Skills for growth programme – over 240 apprenticeships • 40,000 jobs on and around the Park by 2025 • Successful visitor attraction – 5m visitors per year • Hosting major events at the London Stadium (e.g. Major League Baseball)

Mayor's priorities	Mayor's activities	LLDC activities
<p>Environment, transport and public space</p>	<ul style="list-style-type: none"> • Improve air quality • Low carbon London – zero carbon by 2030 • Making cycling easier and safer • Public space and neighbourhoods are attractive and accessible • National Park City • Supporting green technology and entrepreneurs 	<ul style="list-style-type: none"> • Net Zero Carbon 2030 for scope 1 and 3 emissions • Net Zero Carbon 2038 for scope 3 emissions • Zero carbon homes • Biodiverse, green space • East Bank • Mixed-use developments • Climate Action Strategy • Local Plan policies • LLDC design standards and design review • Climate budget • 98% waste diverted from landfill; material reused in construction • Green Flag status
<p>Arts and culture</p>	<ul style="list-style-type: none"> • Cultural Infrastructure Plan • Social integration • Challenging inequality and promoting tolerance • Accessible to all • Affordable, reliable transport system • Safer and more secure communities • Use culture as a driver for regeneration • Vision for London to be a 24-hour city and supporting the night-time economy 	<ul style="list-style-type: none"> • East Bank: V&A, Sadler's Wells, University of the Arts London, University College London, BBC • Programme of major cultural festivals and global sporting and musical events on and around the Park, including Abba Voyage • Community focussed programmes and events • Focus on creating an inclusive and diverse workplace across LLDC (further information is provided at Section 9)

3. REVIEW PROCESS

- 3.1. LLDC's Long Term Model sets out all capital and revenue income and expenditure projections and underpins the budget submission. An update on the Long Term Model was presented to the Investment Committee on 15 October and to this Board on 20 November.
- 3.2. In preparing this budget, to ensure that LLDC continues to secure value for money in its activities, the process has involved:
 - a detailed review, including with members of the LLDC Executive Management Team (EMT), of revenue and capital budgets;
 - an extensive review of the key capital assumptions underpinning the Long Term Model and various scenario modelling;
 - updating the Long Term Model for changes identified since the previous year;

- an assessment of LLDC's capital strategy against the Mayor's priorities;
- challenging cost and income proposals with senior budget holders, including to identify savings and efficiencies;
- preparing the climate budget with LLDC's Sustainability Team and close liaison with the GLA Climate Budget Working Group;
- scrutiny by EMT and the LLDC Investment Committee; and
- meeting senior representatives from the GLA, including the Chief Finance Officer and the Mayor's Chief of Staff, to review the financial projections prior to submission, covering the implications for capital budgets, revenue costs and income forecasts.

3.3. The London Stadium budget is also separately scrutinised by the respective Boards of E20 Stadium LLP and London Stadium 185 Limited.

4. BUDGET SUBMISSION STRUCTURE

4.1. This year's submission document has two key changes from previous years:

- **LLDC evolution:** As part of LLDC's planning for its next phase, a new organisational structure will be implemented from 1 April 2025, with new directorate allocations and names. However, for ease of comparison with the prior year, the tables within this budget are based on the current directorate configuration. For reference purposes, they are also presented in the new post-1 April 2025 configuration within Appendix 1; next year's budget submission will be presented entirely in the new configuration.
- **London Stadium:** As part of the evolution, LLDC and its leadership will no longer have strategic responsibility for the London Stadium through its subsidiaries E20 Stadium LLP and London Stadium 185 Limited. From 1 April 2025, it is intended that these companies will sit outside of LLDC and become subsidiaries of Greater London Authority Holdings Limited, a wholly owned subsidiary of the Greater London Authority. As this is subject to a Mayoral Decision, expected in December 2024, the London Stadium budgets (revenue and capital) are included within this submission document (Section 8). Once the Mayoral Decision is finalised, it is expected that the Stadium budgets will be removed and transferred from LLDC to the GLA and reflected in the Mayor's draft consolidated budget to be published in January 2025.

5. CAPITAL BUDGET

Background

5.1. LLDC has a complex long-term capital programme that is subject to significant volatility, particularly in the short and medium-term. LLDC's net capital expenditure, where not funded by capital grant, is funded by capital borrowings from the GLA, which are to be repaid from capital receipts over the long-term.

5.2. The key items in last year's submission were:

- Expected receipts from the planned disposal of capital assets.
- Income from the Stratford Waterfront and Bridgwater development, reflecting the terms of the agreement signed with Ballymore in July 2022. However, both schemes were experiencing delays due to viability challenges arising from adverse market/macro-economic conditions and changes to fire safety regulations (which were also impacting the scheme designs). The timing of expected receipts was therefore delayed and commercial discussions on quantum had commenced with Ballymore.
- Provision for the digital signage investment opportunity, offset by the expected repayments (starting in 2026/27) from the additional revenue income generated.

- A further increase of c£50.0m in the East Bank Anticipated Final Cost (AFC) (c£44.0m net of additional contributions from UAL) bringing the total AFC to £667.9m. This was driven by new design issues, contractor performance (regarding cladding and glazing which has delayed watertightness on Sadlers Wells and the BBC, and final completion on V&A), settlements with key contractors in excess of AFC allowances, and prolongation.
- An additional £50.0m of GLA capital grant in 2024/25 to cover pressures on LLDC's borrowings and overall Long Term Model arising primarily from the aforementioned changes in expected capital receipts and increases in East Bank costs.

2025/26 budget submission

- 5.3. This year's submission is presented against a continued backdrop of challenging macroeconomic and market conditions, which all impact either directly or indirectly upon LLDC's capital plan. These include:
- significant increases in the cost of construction and financing (albeit inflation and interest rates have now settled)
 - impact of changes to Building and Fire Safety Regulations
 - a downturn in the housing market and buyers' affordability/access to borrowing
 - a contraction in the affordable housing market for new developments
- 5.4. The proposed capital plan for the next four financial years is set out in the following table, alongside the forecast outturn for 2024/25 (as at 30 September 2024). Further details of LLDC's long-term capital plan are included within the Capital Strategy at Appendix 4. The table shows that LLDC is forecast to be within its borrowing limits for the next four years, although this requires additional support from the GLA, and the headroom is limited.
- 5.5. LLDC reviews its annual capital forecasts regularly to ensure they remain as accurate as possible and based on the latest assumptions. The updated short-term forecasts are presented routinely to LLDC's EMT and Investment Committee and are published² in LLDC's Corporate Performance Report each quarter.

Capital Budget	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	2028/29 Plan £m	Total Budget/Plan £m
Income						
Capital receipts	21.2	38.0	24.5	40.8	50.0	153.2
East Bank	4.6	48.2	-	-	-	48.2
GLA Grant	84.7	22.2	24.4	-	5.7	52.3
Other (incl Section 106/CIL)	5.4	4.6	2.4	1.4	1.0	9.4
Total Capital Income	115.9	113.0	51.2	42.2	56.7	263.2
Expenditure						
East Bank	(93.0)	(14.9)	(1.1)	(0.8)	(0.1)	(16.9)
Development - Infrastructure	(10.8)	(11.8)	(5.2)	(6.9)	(3.5)	(27.5)
Development - other	(13.4)	(28.5)	(30.2)	(21.6)	(16.6)	(96.9)
Stadium - Capital	(9.0)	-	-	-	-	-
Park and Venues	(8.0)	(4.6)	(1.7)	(1.9)	(1.7)	(9.9)
FCCS	(1.7)	(0.7)	(0.3)	(0.2)	(0.2)	(1.5)
Commercial Strategy	(7.6)	(0.5)	-	-	-	(0.5)
Contingency	(6.4)	0.0	(5.3)	(4.2)	-	(9.5)
Corporation Tax	-	(5.4)	(4.3)	(4.5)	(6.8)	(21.1)
Total Capital Expenditure	(149.9)	(66.4)	(48.0)	(40.3)	(29.1)	(183.7)
Net Capital Expenditure	(34.0)	46.6	3.3	1.9	27.7	79.4
Cash adjustments for BBC/UAL loan funding	1.5	(36.8)	5.0	5.0	5.0	(26.8)
Cumulative borrowing	539.3	529.5	521.3	514.4	481.7	

² Via LLDC's website (see [here](#))

Capital income

Capital receipts

5.6. Capital receipts over the next four years include:

- Income from the **Stratford Waterfront and Bridgwater** development (land receipts and share of net profits from the joint venture). This reflects the revised terms agreed with Ballymore during 2024, updated for LLDC's latest house and construction price inflation forecasts and changes to the delivery programme. Both schemes have experienced delays due to viability challenges arising from adverse market/macroeconomic conditions and changes to fire safety regulations (which also impact the scheme designs). Infrastructure works are now underway at the Bridgewater Triangle site (now funded by Homes England grant, see below) and Stage 3 design work for Stratford Waterfront is due to begin in January 2025.
- Anticipated income from the **East Wick and Sweetwater** development (Phases 2 and 3).
- The **Hackney Wick Neighbourhood Centre** development land receipt (in 2025/26), reflecting the terms of the development agreement with Notting Hill Genesis.
- Land receipts from the **Rick Roberts Way** residential development, reflecting the terms of the agreement due to be signed shortly with the preferred bidder.
- Expected receipts from the planned disposal of other **capital assets** and overage entitlements from previously disposed assets.

East Bank

5.7. Income from East Bank includes:

- Contributions from the **BBC** towards the cost of constructing their building at Stratford Waterfront. These contributions, which will be funded via an interest-bearing loan facility from LLDC, are expected once the building reaches practical completion (now estimated for 2025).
- **Philanthropic funds** assumed for 2025/26.

Grant funding

- 5.8. The GLA provides **capital grant** funding, for example towards East Bank and to ensure LLDC remains within its borrowing limits. No additional capital grant is being requested from the GLA as part of this submission. However, in August 2024, the Mayor approved an additional £30.0m of grant across 2024/25 and 2025/26 to cover pressures on LLDC's borrowings and overall Long Term Model arising primarily from increases in East Bank costs (see below); the Mayor also delegated authority to the Chief Finance Officer, in consultation with the Chief of Staff, to provide a further £21.0m of capital grant funding, if required. The full £51.0m of additional funding is factored into this budget submission.
- 5.9. As part of the planned transfer of the **London Stadium** to the GLA, the existing Stadium-related capital expenditure budget within LLDC's Long Term Model will be removed from 2025/26 onwards, along with the requisite GLA capital grant – so net nil impact for LLDC overall. The table at 5.5 therefore *excludes* the GLA capital grant being transferred, which can be seen in Section 8.

Capital expenditure

East Bank

- 5.10. Last year's budget submission included an increase of £50.0m (c£44.0m net of additional contributions from UAL) in the forecast total cost of **East Bank**. This was driven by design-related issues, contractor performance, settlements with key

contractors above the AFC allowances and prolongation. This brought the total AFC to £667.9m and was funded through additional capital grant from the GLA.

5.11. Since then, the project has progressed significantly, achieving the following milestones during the year:

- Commencement of the second academic year at the London College of Fashion, which was handed over to University of the Arts London (UAL) in late August 2023. The majority of the 14,000 students on the Park are students from UAL's London College of Fashion and University College London (UCL), which is also part of East Bank³.
- The V&A were given early access to their building to progress their fit out in November 2023; their lease was executed at the start of February 2024. A small amount of post-handover landlord works relating to security and terrace planter boxes remains, and these are anticipated to complete in Quarter 3 of 2024/25 now that the V&A have appointed a new fit out contractor who can coordinate activities on site, after their original supplier went into administration.
- The Project Manager, Mace, certified Building Completion on Sadler's Wells in mid-October 2024 (delayed from the previously anticipated late August completion), with the lease completing in early November. A small amount of landlord work will continue up to December 2024, but the building is anticipated to open in January 2025 with full performances from the beginning of February 2025.
- The Stratford Waterfront retail units were handed over to LLDC in early June 2024, and onward leased to LLDC's wholly owned retail management company, Stratford Waterfront Retail Management Limited. Work to secure a range of high-quality food and beverage tenants is ongoing, and the first leases are expected to be signed imminently in late 2024.
- The Stratford Walk element of the project completed. This is a public realm infrastructure improvement project related to the area between the International Quarter London (IQL), London Aquatics Centre and Stratford Waterfront. It forms the main 'gateway' and entrance for most visitors to the Park and was funded by Community Infrastructure Levy (CIL) funding and LLDC (as part of East Bank).
- The canal side Public Realm opened in August 2023, with the remainder handed over to the East Bank management company (jointly owned by East Bank tenants) on 9 July.

5.12. Despite these successes, reflected in this year's budget submission is a further increase of c£53.7m in the East Bank AFC (c£51.2m net of additional East Bank Partner contributions) bringing the total forecast cost of the project to £721.7m and reflecting the 'worst case' scenario reported by Mace, LLDC's project management partner for East Bank. The increase is due to the impact of further prolongation and further contractor settlement risks. Mace's worst case programme outturn allows for further slippage in the BBC to mid-June 2025.

5.13. This slippage, and that on the Sadler's Wells building prior to its handover, is primarily due to poor contractor interfacing and performance. Lateness with key contractors completing their package designs, which has led to design integration issues between packages, and a failure to lock-in sub-contractor resourcing, has led to prolongation. To mitigate this, LLDC has instructed out of sequence working; however, this carries complexity and the associated risk of rework being required.

5.14. LLDC continues to work actively with Mace and key contractors to complete the programme as quickly as possible while minimising the final cost outturn. There is a

³ though not included in LLDC's budget as UCL self-delivered their building

risk however that further increases in the projected outturn costs over the budgeted position should the programme continue to slip.

- 5.15. Construction of the UCL academic building at Marshgate was delivered directly by UCL (in addition to the student accommodation at Pool Street), hence no income or costs are included within LLDC's budget for this aspect of the East Bank project.

Development

- 5.16. Development costs over the next four years relate mainly to Legacy Communities Scheme (LCS) **Section 106 infrastructure works**, such as for Bridgewater, Pudding Mill Lane and Rick Roberts Way in relation to the residential developments to be delivered there. The Bridgewater infrastructure works are now being funded by grant from Homes England (included within the Capital Income section).
- 5.17. Development costs also include the equity payments required for investment into the joint ventures to deliver the **Stratford Waterfront** and **Bridgewater and Pudding Mill Lane** residential sites.
- 5.18. LLDC's budget includes provision for progressing the Outline Business Case for the redevelopment of **Stratford Station**; this is being funded by LLDC, Network Rail, Transport for London and London Borough of Newham ('the partners'). The Strategic Outline Business Case (SOBC) for the redevelopment of Stratford Station was submitted to Government on 1 August 2023 setting out how an enhanced station can deliver up to 10,000 new jobs, 150,000 sqm of commercial space, new retail and community space centre around a major new public square, up to 2,000 new homes (50% affordable), support the growth of east London, raise productivity and reduce carbon emissions. The partners are now developing more detailed plans for the station's redevelopment through an enhanced SOBC, which is expected to be submitted to Government in 2025.
- 5.19. Development costs also include **staffing**, which is capitalised against projects, as appropriate.
- 5.20. LLDC continues to maximise the level of **affordable housing** it can deliver within the constraints of its Long Term Model in accordance with the Mayor's Homes for Londoners Affordable Housing and Viability Supplementary Planning Guidance.
- 5.21. LLDC is delivering 50% affordable housing across its three remaining sites⁴ using a 'portfolio approach' – i.e. an average of 50% across the three sites on a habitable room basis (assumed to be 30% London Affordable Rent and 70% Intermediate product⁵).
- 5.22. The following updates/changes have occurred since last year's budget submission:
- The joint venture with Ballymore to deliver the Stratford Waterfront and Bridgewater residential sites is operational. Viability challenges, caused primarily by adverse market and macroeconomic conditions and changes to the Government's statutory guidance on fire safety, have impacted progress and led to revised commercial terms being agreed between both parties during 2024 (subject to a Mayoral Decision expected in December). The Reserved Matters Application for Stratford Waterfront was [approved](#) by LLDC's Planning Decisions Committee on 25 June 2024. Infrastructure works are underway at the Bridgewater site, where design works have also recommenced. Stage 3 Design for Stratford Waterfront is due to begin in January 2025.
 - The procurement for a joint venture partner on Pudding Mill Lane was launched during the year and a preferred bidder selected subject to contract

⁴ Stratford Waterfront, Pudding Mill Lane (which includes Bridgewater Triangle, albeit this is being delivered alongside Stratford Waterfront) and Rick Roberts Way

⁵ Stratford Waterfront was assumed to be 100% intermediate product (of the 35% affordable housing)

(expected in November). Outline planning permission for the site was approved in September 2023.

- On the Rick Roberts Way site, LLDC has also selected a preferred development partner following a procurement process. The contract is due to be executed shortly, and the preferred bidder has commenced design work ahead of a planning submission.

Stadium

5.23. As part of the transfer of the **London Stadium** to the GLA, the existing Stadium-related capital expenditure budget within LLDC's Long Term Model will be removed from 2025/26 onwards, along with the requisite GLA capital grant – so net nil impact for LLDC overall. The table at 5.5 therefore *excludes* the Stadium capital expenditure being transferred, which can be seen in Section 8.

Park and Venues

5.24. This budget heading includes costs relating to **lifecycle works** on the Park, noting that LLDC has transferred responsibility for much of the venue lifecycle works under the new operational contracts, which were finalised during 2024. LLDC currently remains responsible for lifecycle works at the ArcelorMittal Orbit (AMO) and has provision in its budget for major lift and fire-resistant painting works, which are taking place during 2024/25 and 2025/26.

5.25. The budget also includes some provision for **sustainability projects**, which are reflected within LLDC's London Climate Budget (see Section 10).

Finance, Commercial and Corporate Services (FCCS)

5.26. Expenditure includes the costs of IT projects⁶ (for example, Smart Park and IT equipment refresh), staff working on capital projects and the provision of assurance on East Bank until 2025/26.

Commercial Strategy

5.27. The budget includes provision in 2025/26 for investment in improved digital signage across the Park. This has the potential to generate significant placemaking and commercial benefits (through advertising and sponsorship) for LLDC. A procurement exercise to identify a delivery partner was run in 2024; however, this was not successful. The delivery strategy is therefore being reviewed, which has impacted upon the timing of income and expenditure assumptions in this year's submission.

Contingency

5.28. LLDC maintains a level of corporate contingency, which is informed by a Quantitative Risk Assessment (QRA)⁷. Note that this excludes major projects, such as East Bank, which have their own contingency, QRA and risk monitoring processes.

Corporation Tax

5.29. As a Mayoral Development Corporation, LLDC is subject to Corporation Tax on the income it generates (capital and revenue). Certain costs are allowable against this income when determining the net liability. LLDC previously submitted a non-statutory clearance application to HMRC seeking confirmation that the significant cost of delivering East Bank is allowable as a deductible expense. HMRC issued a positive response on this during 2024.

⁶ Note that LLDC's IT provision is planned to move to a shared service model provided by Transport for London. The project, which is expected to go live in early 2025, was delayed following the cyber attack on Transport for London in September 2024.

⁷ Risks in the QRA include the Park Headquarters relocation and options for future use of the Old Ford site wastewater treatment plant

5.30. LLDC is also awaiting the conclusion of a related query raised by HMRC regarding the use of taxable losses generated by the London Stadium (via E20 Stadium LLP). This matter is ongoing at the time of writing.

Net borrowing

5.31. The following table shows the total borrowing requirement in the proposed budget against the current borrowing limits. LLDC's borrowing limit, set by the GLA, is £550m reflecting that its capital programme is a complex long-term forecast of expected receipts and costs and is, therefore, subject to significant volatility, particularly in the short and medium-term.

5.32. The following table shows that LLDC is forecast to be within its borrowing limits for the next four years with capital grant support from the GLA, albeit with limited headroom in the short to medium term. However, there are various risks to LLDC's Long Term Model (see Appendix 2), including from the current macroeconomic and market issues being faced, and limited headroom to absorb these risks without further support from the GLA. LLDC's borrowing position will therefore be monitored closely through 2025/26 and reviewed again with the GLA as part of next year's budget submission.

Summary of Borrowing Requirements	2024/25	2025/26	2026/27	2027/28	2028/29
	Forecast £m	Budget £m	Plan £m	Plan £m	Plan £m
Opening Borrowing Requirement	516.5	539.3	529.5	521.3	514.4
Net Capital Expenditure	34.0	(46.6)	(3.3)	(1.9)	(27.7)
Cash Adjustments for BBC/UAL Loan Funding	(1.5)	36.8	(5.0)	(5.0)	(5.0)
Cash vs accruals timing adjustment	(9.7)	-	-	-	-
Closing Capital Requirement	539.3	529.5	521.3	514.4	481.7
Authorised Borrowing Limit	550.0	550.0	550.0	550.0	550.0
Headroom	10.7	20.5	28.7	35.6	68.3
<i>Change in net borrowing requirement</i> ¹	(3.4)	(20.5)	(18.6)	32.1	77.1

¹ from prior year submission (including rollovers)

Changes since the 2024/25 budget submission

5.33. The changes between the capital plan presented last year⁸ and that presented this year are detailed in this section.

Changes - Capital	2024/25	2025/26	2026/27	2027/28	2028/29	Total Budget/Plan £m
	Forecast £m	Budget £m	Plan £m	Plan £m	Plan £m	
Net Capital Expenditure per 2024/25 Submission (incl rollovers)	(37.5)	29.4	5.2	52.7	72.6	159.9
Income						
Capital receipts	1.5	(10.9)	10.6	(61.7)	(43.8)	(105.9)
East Bank	(38.1)	41.0	-	-	-	41.0
GLA Grant	30.0	17.2	(8.5)	(3.6)	(7.1)	(2.0)
Other (incl Section 106/CIL)	(4.2)	4.1	2.4	1.4	0.6	8.4
Expenditure						
East Bank	(39.4)	(14.0)	(0.2)	(0.1)	(0.0)	(14.4)
Development - Infrastructure	3.0	4.5	1.5	(2.6)	(1.4)	2.0
Development - other	8.6	21.9	(7.7)	6.3	(6.5)	14.0
Stadium - Capital	-	3.8	6.2	5.9	7.1	23.0
Park and Venues	(2.3)	(2.5)	0.2	2.5	0.2	0.3
FCCS	0.5	(0.5)	-	(0.1)	(0.1)	(0.6)
Commercial Strategy	(1.0)	(0.5)	(1.0)	(1.0)	(1.0)	(3.5)
Contingency	0.1	-	(5.3)	(4.2)	-	(9.6)
Corporation Tax	3.8	(5.1)	0.1	6.4	7.1	8.4
Cash vs accruals adjustments (incl BBC & UAL Loans)	41.0	(41.7)	-	-	-	(41.7)
Total Capital Changes	3.4	17.1	(1.9)	(50.8)	(45.0)	(80.5)
Net Capital Expenditure per 2025/26 Submission	(34.0)	46.6	3.3	1.9	27.7	79.4

⁸ Including 2023/24 year-end rollovers as presented to and agreed by the Board on 21 May 2024

5.34. Major changes across the *four years from 2025/26* include:

Income

Capital receipts (net decrease of £105.9m)

- A rephasing of expected profits from the **Stratford Waterfront and Bridgewater** joint venture due to the programme delays and revised commercial terms agreed with Ballymore during 2024.
- Rephasing of other planned receipts, including from land owned by LLDC at **Bromley-by-Bow**.
- The inclusion of grant funding from **Homes England** towards the cost of infrastructure works at Bridgewater Triangle.

East Bank income (increase of £41.0m)

- This reflects the rephasing of the **contributions from the BBC** towards the cost of constructing their building at Stratford Waterfront. These contributions, which will be funded via an interest-bearing loan facility from LLDC, are expected once the building reaches practical completion (now estimated for 2025).

GLA capital grant (net decrease of £2.0m)

- The increase in 2025/26 relates to the additional **GLA capital grant** approved by the Mayor in August 2024 towards the increased cost of East Bank, offset by the removal of capital grant for Stadium-related capital expenditure, which is being transferred to the GLA from 1 April 2025.
- The changes for 2026/26 onwards are the Stadium removal and a re-profiling of the remaining GLA grant across the financial years.

Expenditure

East Bank expenditure (increase of £14.4m)

- This is the increase in **East Bank AFC** referenced earlier in the paper, which is profiled across 2024/25 and 2025/26 (c£53.7m in total).

Development – other (net decrease of £14.0m)

- Largely the rephasing of the equity payments required for investment into the joint ventures to deliver the **Stratford Waterfront and Bridgewater** and **Pudding Mill Lane**.
- Also includes capital works funded via **Section 106 and Community Infrastructure Levy** contributions.

Stadium (decrease of £23.0m)

- The removal of **Stadium-related** capital expenditure from LLDC's budget pending transfer to the GLA from 1 April 2025 – see Section 8.

Commercial Strategy (increase of £3.5m)

- A rephasing of the **digital signage** investment, offset by the expected repayments (starting in 2026/27) from the additional revenue income generated.

Contingency (increase of £9.6m)

- Increase for **specific risks**, including further volatility in forecast residential receipts and/or equity requirements and Corporation Tax changes.

Corporation Tax (decrease of £8.3m)

- The **consequential impact** of all the above changes but generally a timing impact (i.e. the tax will be incurred beyond the four-year period).

Cash vs accruals adjustments

- This relates to the £41.0m **contribution from the BBC** towards the cost of their building at Stratford Waterfront. For accounting purposes, the contribution is recognised in full at the point the building is expected to be handed over (now 2025/26); however, in cash terms, the contribution is being funded via an interest-bearing loan from LLDC and repaid by the BBC over 20 years. Therefore, an adjustment is required when calculating LLDC's overall borrowing requirement in 2025/26 and beyond.

6. REVENUE BUDGET

Background

- 6.1. The difference between LLDC's revenue income and expenditure is met by grant from the GLA and the use of funding carried forward from previous years.
- 6.2. As noted, LLDC will reduce in size from 1 April 2025 onwards and, accordingly, its core revenue grant allocation from the GLA will reduce significantly.
- 6.3. For the long-term financial sustainability of LLDC, the objective is that, when developments on the Park have built out and the Fixed Estate Charge reaches its peak (from the mid-2030s), the requirement for grant funding, excluding the London Stadium, will be eliminated. Work is ongoing to review how this objective can be achieved, particularly through increasing commercial income.
- 6.4. The following table sets out LLDC's funding position allocation prior to the start of the 2025/26 budget submission process; as can be seen, LLDC's starting point for this year's budget submission process was a balanced funding position. This excludes funding for the London Stadium, which is set out in Section 8.

Revenue Budget	2024/25 Forecast £000	2025/26 Budget £000	2026/27 Plan £000	Total £m
GLA grant				
Core revenue grant	19.1	11.1	11.1	41.3
Carried forward	11.6	0.8	0.4	12.7
Total GLA grant	30.6	11.9	11.5	54.0
Funding gap	-	-	-	-

2025/26 budget submission

- 6.5. The LLDC revenue income and expenditure forecast at 30 September 2024, and for the next three financial years, is shown in the following table:

Revenue - LLDC	2024/25 Forecast £000	2025/26 Budget £000	2026/27 Plan £000	2027/28 Plan £000	Total £000
Income					
Development	0.9	0.8	0.8	0.9	3.4
Finance, Commercial and Corporate Services	0.6	-	-	-	0.6
Park Operations and Venues (excl Trading)	6.3	7.2	7.9	8.1	29.4
Planning Policy and Decisions	1.2	-	-	-	1.2
Regeneration and Community Partnerships	1.4	1.1	-	-	2.5
Commercial	0.3	0.5	3.6	6.6	11.1
Trading	7.6	10.7	10.9	10.8	39.9
Total Income	18.4	20.3	23.3	26.3	88.2
Expenditure					
Communications, Marketing and Strategy	(2.5)	(0.9)	(0.9)	(1.0)	(5.3)
Development	(0.6)	(0.0)	(0.0)	(0.0)	(0.7)
Executive Office	(3.1)	(2.1)	(1.8)	(1.8)	(8.7)
Finance, Commercial and Corporate Services	(7.4)	(5.7)	(5.8)	(5.8)	(24.7)
Park Operations and Venues (excl Trading)	(11.7)	(11.1)	(11.3)	(11.6)	(45.7)
Planning Policy and Decisions	(3.5)	-	-	-	(3.5)
Regeneration and Community Partnerships	(4.0)	(1.8)	(0.7)	(0.7)	(7.1)
Commercial	(0.5)	(2.1)	(3.2)	(4.8)	(10.5)
Trading	(7.2)	(8.8)	(8.9)	(8.9)	(33.7)
Contingency	(7.2)	(1.2)	(1.3)	(1.9)	(11.5)
Total Expenditure	(47.6)	(33.8)	(33.8)	(36.4)	(151.6)
Net Expenditure	(29.3)	(13.5)	(10.6)	(10.1)	(63.5)
<i>GLA funding:</i>					
Core grant	19.1	11.3	11.5	11.7	53.6
Carried-forward (MDC Reserve)	10.2	2.2	0.3	-	12.7
Funding to be transferred to London Stadium	-	-	(1.2)	(1.6)	(2.8)
Funding gap	-	-	-	-	-
Revenue - Stadium	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	Total £m
Stadium net expenditure	(16.0)	-	-	-	(16.0)
GLA funding	16.0	-	-	-	16.0
Funding gap	-	-	-	-	-

- 6.6. The funding carried forward by LLDC from previous years is forecast to be fully used across the budget period. There is also £2.8m of funding that will transfer with the London Stadium when it moves to the GLA from 1 April 2025 (see Section 8); LLDC is currently working with the GLA to finalise how this transfer will be reflected in the final budget submission.
- 6.7. LLDC does not require additional revenue funding for the budget period; however, this leaves reduced contingency balances that are low considering the revenue risks faced by LLDC, such as further delays in obtaining commercial income.
- 6.8. The following sub-sections provide more information on the proposed revenue budget submission.

Revenue income

Development

- 6.9. Development income is now largely rental income from the East Wick and Sweetwater development (prior to eventual disposal). The income from rents grows as more units are completed, albeit this has slipped due to delays to the overall programme.

Finance, Commercial and Corporate Services

- 6.10. This income includes recharges to E20 Stadium LLP for services provided by LLDC including Information Technology, finance and accounting and Human Resources support; this will end from 1 April 2025 when the Stadium activities are transferred to the GLA.

6.11. The income also includes interest received on LLDC's bank balances where interest rates are now higher than in previous rates. This will be eliminated in 2025/26 as Section 106 and CIL balances are transferred to the boroughs.

Park Operations and Venues (excluding Trading)

6.12. Largely income from the Fixed Estate Charge, a charge on all occupiers of the Park to contribute towards the cost of maintaining the Park and its facilities. LLDC's income from this charge increases as East Bank buildings are handed over (to the partners) and residential developments are completed, and more occupiers move onto the Park in the later years. Other income comes from short-term programmes and events that take place on the Park and from LLDC's car park facilities⁹.

Planning Policy and Decisions

6.13. Income related to planning fees and CIL administration income payable to the LLDC Planning Authority, until the forthcoming reversion of LLDC's planning powers to the local boroughs in November 2024.

Regeneration and Community Partnerships

6.14. This is income expected from SHIFT, the inclusive innovation community that exists at Queen Elizabeth Olympic Park. Since 2022, SHIFT's income has come through committed support of the founding partners¹⁰ and grant funding from the Future Industries Demonstrator Programme.

6.15. For 2025/26, SHIFT's income is forecast to come from the following:

- **Founding partners:** As at 31 March 2025, SHIFT is forecast to have c£0.6m of partner funding that it has received but not used. Some of this will be released in 2025/26 and otherwise used to mitigate the impact of the 'other income' not being achieved in 2025/26 (see the following bullets).
- **Other income** consisting of:
 - **Future projects testbed:** this involves scoping the potential to extend current projects in delivery (Future Industries Demonstrator and Design to Deliver), innovation challenge scoping with other partners (public and private) and scoping EU funded projects.
 - **Innovation trials:** the SHIFT team are working on a pipeline of new business (five projects currently in discussion), Digital Frontiers (data platform) proof of concept estimated early 2025 and actively seeking investors.
 - **Memberships:** whereby income will be derived from organisations that pay to be involved in SHIFT's ecosystem. This is targeted to be £0.5m in 2025/26. SHIFT has developed two paid membership tiers: Innovation Partners and Innovation Leaders and large institutions:
 - A. 'Innovation Partner' is for organisations that want to support SHIFT's mission and work towards making an impact to local people and businesses. This tier is priced at £50,000 per annum, priced at similar level to contributions that founder partners are paying. SHIFT have secured two corporates who have provided in-kind support to value of £50,000 each. SHIFT is currently in

⁹ The Multi-storey Car Park is planned for disposal in 2024/25, so no further revenue income is assumed from 2025/26 onwards

¹⁰ University of the Arts London, Lendlease, University College of London, Loughborough University, Here East, Plexal and LLDC

advanced conversations with two further corporations who are presenting proposals to their boards.

- B. 'Innovation Leaders', priced at £20,000, is for organisations that want to work with SHIFT to develop a thematic innovation challenge using Park assets or to build an ecosystem of partners around that theme. SHIFT is preparing marketing for this membership tier, and from January 2025 will have Business Development Lead in place to identify and achieve buy-in from potential organisations.

6.16. A breakdown of the 'Other income' included in the 2025/26 budget is set out in the following table, along with a RAG rating of certainty over the income at the time of writing:

	2025/26 Forecast £000	RAG
Other income		
Future Projects & Sponsors	150	
Innovation Trials	90	
Innovation Member and Leader	520	
	<u>760</u>	

6.17. Once the carried-forward partner funding is fully utilised, SHIFT would need to review their cost base, including staffing (which is a mixture of permanent and fixed-term contract staff), if the forecast 'other income' does not materialise.

6.18. SHIFT is also actively developing national and international consortia pursuing grant funding from regional, national and international public innovation funds. This includes funding through agencies like Innovate UK, UKRI (UK Research and Innovation) and Horizon Europe.

6.19. Activity for SHIFT beyond 2025/26 is subject to a business plan being brought forward by the SHIFT team in early 2025. This will be reflected, as appropriate, in next year's budget submission.

Commercial

6.20. This covers the expected income arising from commercial opportunities to derive more value from the Park assets, such as advertising and sponsorship.

6.21. LLDC's capital budget includes provision for investment in digital signage across the Park, which has the potential to deliver significant placemaking and commercial benefits for LLDC (through sponsorship and advertisement income). The business case for this was approved by the LLDC Investment Committee during 2024.

6.22. The investment will help deliver against the Commercial income target and accelerate LLDC's achievement of its financial sustainability target. Note that without the investment in digital signage and the potential income it could generate, there is risk the commercial income target may not be achieved.

6.23. A recent exercise to procure a partner for the digital signage project did not yield the outcome expected by LLDC. The procurement strategy is currently being revised and the opportunity will be re-launched to the market accordingly. The expected income is therefore deferred in this year's budget submission, to begin in 2026/27.

Also include in this heading is income derived, or targeted to be derived, from other commercial opportunities, such as venue sponsorship opportunities (non-Stadium).

Revenue expenditure

- 6.24. All areas of expenditure reduce from 2025/26 reflecting the planned changes to LLDC's size and structure from 1 April 2025.

Communications Marketing and Strategy

- 6.25. Expenditure on marketing promotions for the Park and attractions, media monitoring and dealing with media requests, design and implementation of corporate communications (such as the quarterly corporate performance report, statutory annual report and the website), stakeholder management, strategy development and preparation of branded material for the Park.

Executive Office

- 6.26. Covers office accommodation, corporate Human Resources activities and the costs of the Executive Office (including the Chief Executive) and other non-salary staff costs such as training and recruitment.

Finance, Commercial and Corporate Services

- 6.27. This includes finance, IT, governance and programme assurance, commercial, procurement, legal and professional fees (including tax advice), insurance, internal and external audit, commercial assurance and the costs of the LLDC Board. Legal, secretariat, indirect procurement categories and internal audit are provided through a shared service with the GLA, which is being expanded to IT services from 2025/26 onwards (provided by Transport for London).

Park Operations and Venues (excluding Trading)

- 6.28. Day-to-day operational costs of the Park, a significant element being estate and facilities management of the Park, which is conducted under a third-party contract. In addition, there are other costs including Park security, utilities and rates.
- 6.29. The directorate's budget includes funding for activities promoting environmental sustainability, supporting the Mayor of London's sustainability objectives across the Park's operation and development. Activity includes the development and delivery of a Climate Action Strategy in pursuit of a 1.5 degree aligned future (targeting net zero carbon by 2030 and improving the climate resilience of the Park). Specific areas of focus include reducing carbon emissions (operational and embodied); sourcing more renewable energy; offsetting all flights; and working in collaboration with internal and external partners to support the decarbonisation of the Park District Energy Network.

Planning Policies and Decisions

- 6.30. Expenditure relates mainly to staff and professional fees. Note that these budgets do not continue beyond 2024/25 as LLDC's statutory town planning powers revert to the local boroughs in November 2024.

Regeneration and Community Partnerships

- 6.31. The directorate's budget has historically covered socio-economic programmes, which, amongst other things, support the East Works programme, aimed at ensuring that local people and members of under-represented groups benefit fully from employment and skills development opportunities on the Park.
- 6.32. The directorate budget has also supported the development of new residential and business communities on the Park, in ways that also create opportunities for local communities; for example, through extensive engagement with schools and community groups. A major focus continues to be the development of the East Bank partnership to ensure that the Strategic Objectives of the project are being delivered, with practical collaborative work streams focusing on Arts and Culture; Education and Opportunity; Employment and Enterprise; and Research and Innovation.
- 6.33. From 2025/26, the budget covers a small strategic Inclusive Economy team within LLDC, with no direct delivery of programmes but instead securing delivery with and

through partners. Clear deliverables for all partners will be crucial, as will robust measurement and oversight of progress.

6.34. The LLDC Board has agreed Inclusive Economy will be at the heart of the next phase of LLDC. As outlined above, the organisation will move from a model of direct delivery of socio-economic programmes to one of strategic leadership together with the local boroughs, and a more prominent delivery role for East Bank and other business, academic and cultural partners, and local communities.

6.35. The local boroughs and LLDC have a shared ambition to maximise local benefits from the ongoing development and operation of the Park post-2025 and this ambition is reflected in the agreed long-term vision for the Park.

6.36. Otherwise, the Regeneration and Community Partnerships budget in 2025/26 includes the cost of SHIFT activities to drive the income described earlier. These costs are not underwritten by LLDC, so would require mitigating if the targeted income is not achieved.

Commercial

6.37. These costs are to support the delivery of commercial-related income as set out earlier.

Trading

6.38. A breakdown of LLDC's Trading activities is provided in the following table.

Trading	2024/25 Forecast £000	2025/26 Budget £000	2026/27 Plan £000	2027/28 Plan £000	Total £000
Trading Income					
3 Mills Studios	5,864	8,877	9,143	9,417	33,300
ArcelorMittal Orbit	-	10	17	17	44
Kiosks	64	66	68	70	266
London Aquatics Centre and Copper Box Arena	141	140	146	155	582
Off Park Assets	95	104	125	125	449
On Park Assets	1,181	924	640	53	2,798
Riverside East	94	386	398	410	1,288
Timber Lodge Café	36	44	44	45	169
Telecoms	98	69	69	69	306
East Bank retail	-	64	240	416	721
Total Trading Income	7,573	10,684	10,889	10,777	39,922
Trading Expenditure					
3 Mills Studios	(5,808)	(8,068)	(8,162)	(8,376)	(30,414)
ArcelorMittal Orbit	(256)	-	-	-	(256)
Kiosks	(3)	-	-	-	(3)
Telecoms & Wifi	(5)	(5)	(5)	(5)	(20)
London Aquatics Centre and Copper Box Arena	(825)	(609)	(604)	(412)	(2,450)
Off Park Assets	(50)	(29)	(29)	(10)	(118)
On Park Assets	(88)	(38)	-	-	(125)
Timber Lodge Café	(36)	(30)	(30)	(30)	(126)
East Bank retail	(118)	(37)	(26)	(42)	(222)
Total Trading Expenditure	(7,189)	(8,815)	(8,856)	(8,875)	(33,735)
Net Trading	384	1,869	2,032	1,902	6,187
Net Trading					
3 Mills Studios	56	809	981	1,041	2,886
ArcelorMittal Orbit	(256)	10	17	17	(212)
Kiosks	61	66	68	70	263
London Aquatics Centre and Copper Box Arena	(685)	(468)	(458)	(257)	(1,868)
Off Park Assets	45	75	96	115	331
On Park Assets	1,094	887	640	53	2,673
Riverside East	94	386	398	410	1,288
Timber Lodge Café	(0)	14	14	15	43
Telecoms	93	64	64	64	286
East Bank retail	(118)	28	214	375	498
Net Trading	384	1,869	2,032	1,902	6,187

Trading income and expenditure

- 6.39. Trading income is derived from rental and other income from venues on the Park (including ArcelorMittal Orbit, the London Aquatics Centre and the Copper Box Arena), other sites held by LLDC, such as 3 Mills Studios, and the interim uses of development plots prior to construction start on site.
- 6.40. LLDC has now re-procured its key operational contracts, including the award to Sports Limited Management (Everyone Active) for the London Aquatics Centre. At the ArcelorMittal Orbit, LLDC have entered into contract with a new operator, Zip World, who are working with LLDC for a 'European first-of-its-kind adventure at Zip World London. Zip World has plans to invest £2.6m in the venue.

Contingency

- 6.41. LLDC maintains a level of corporate contingency, which is held for specific risks. The provision in 2024/25 is for staff-related costs arising from the evolution of LLDC (redundancy and pension strain).
- 6.42. The contingency provisions for 2025/26 onwards are low considering the revenue risks faced by LLDC, such as further delays in obtaining commercial income.

Inflation and reserves

- 6.43. The 2025/26 budget includes a 2% provision for pay inflation (c£0.2m). Other than for specific contracts, such as security, which reflect increases for London Living Wage, non-pay inflation is offset by planned reductions in expenditure post LLDC's evolution from 1 April 2025.
- 6.44. LLDC's reserves have been subsumed into the GLA's earmarked MDC reserve. There is an increase of £1.5m in the use of these reserves (compared to last year), reflecting the net impact of changes within the budget outlined in the following section.

Financial sustainability

- 6.45. For the long-term financial sustainability of the successor body, LLDC's objective is that post-Transition, when developments on the Park have built out and the Fixed Estate Charge reaches its peak, the requirement for grant funding will be eliminated.
- 6.46. Work has progressed over the past year to review LLDC's future financial projections (into the mid-2030s) and, whilst the forecast required grant has reduced significantly, there is still a gap to bridge; therefore, work is ongoing to review how this objective can be achieved through increasing commercial income:
- Commercial sponsorship, marketing strategy;
 - Park Business Plan, which is identifying opportunities to derive more value from the Park assets (such as the investment in digital signage, which could significantly deliver the financial sustainability objective and sooner than previously anticipated); and
 - Interim use income falls way but interim retail and residential income growth (10-15 year holds).
- 6.47. This work will carry on over the coming year and be further updated in next year's budget submission.

Changes since the 2024/25 budget submission

6.48. The changes in the **revenue income** are shown in the following table:

Changes - Revenue income	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m
Total Revenue income per 2024/25 submission (incl rollovers)	21.8	14.5	14.7
Fixed Estate Charge	(0.4)	(0.3)	0.2
Trading (Venues, Attractions, Kiosks)	0.5	7.7	8.0
Planning-related	(0.5)	-	-
Commercial sponsorship/advertising	(3.0)	(2.7)	0.3
Events	0.0	0.1	0.1
Other	(0.1)	1.0	0.0
Total changes	(3.4)	5.8	8.6
Total Revenue income per 2025/26 Submission	18.4	20.3	23.3

6.49. The key drivers of change in revenue income (over the two years from 2025/26¹¹) are:

- A small increase in Fixed Estate Charge, reflecting inflation uplifts, offset by delays to the completion of East Bank buildings (in 2025/26).
- Various movements to Trading and property rental income forecasts, including increases in income from the interim uses of LLDC's development plots (where development is yet to commence). The most significant movement relates to 3 Mills Studios, where the budget assumption is that LLDC continues to operate them for the duration of the budget period. In last year's submission, LLDC had reflected the potential to sub-lease the studios, which would have resulted in a lower income stream to LLDC but no ongoing revenue costs and the transfer of business risk and lifecycle and maintenance responsibilities. Whilst discussions are still ongoing with the market, the previous baseline assumption is being adopted for budget purposes with some adjustments for an expected increase in business rates and head rent (paid to LVRPA¹²) and a slower recovery in the filming market following the writers' and actors' strikes in 2023, which impacts bookings (and, therefore, income).
- Commercial sponsorship/advertising reflects the impact of the delay to procuring a digital signage partner.
- Other changes include adjustments include the assumed income for SHIFT activities (as described earlier).

¹¹ 2027/28 is not included as it was not part of the prior year submission period

¹² Lee Valley Regional Park Authority

6.50. The changes in **revenue expenditure** are shown in the following table:

Changes - Revenue expenditure	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m
Total Revenue expenditure per 2024/25 submission (incl rollovers)	(53.5)	(26.4)	(26.2)
Development	(0.2)	-	-
Executive Office	0.1	(0.3)	(0.1)
Finance, Commercial and Corporate Services	(0.3)	(0.1)	(0.4)
Park Operations and Venues (excl Trading)	(0.1)	(0.1)	-
Planning Policy and Decisions	(0.2)	-	-
Regeneration and Community Partnerships	0.3	(1.1)	-
Commercial Strategy	0.7	(0.4)	(1.5)
Trading	(1.5)	(7.8)	(7.9)
Contingency	7.1	2.5	2.3
Total changes	5.9	(7.3)	(7.6)
Total Revenue expenditure per 2025/26 submission	(47.6)	(33.8)	(33.8)

6.51. The main changes (over the two years from 2025/26) are:

- An increase in **Executive Office** driven by higher accommodation charges for LLDC's office space at 5 Endeavour Square (landlord inflationary increases plus the cost of a slightly larger footprint than previously assumed post-Transition). It also includes inflationary increases on staffing costs.
- An increase in **Finance, Commercial and Corporate Services** relating to increased external audit fees across both years (as determined by Public Sector Audit Appointments Limited) and a small provision for the cost of GLA collaborative procurement arrangements.
- An increase in **Regeneration and Community Partnerships** expenditure in 2025/26 for SHIFT activities, which supports the generation of income (see earlier).
- An adjustment to **Commercial Strategy** for the re-profiling of expenditure associated with the digital signage project, which is delayed when compared to expectations in the 2024/25 budget submission.
- The inclusion of costs relating to 3 Mills Studios within **Trading**, reflecting the assumption that LLDC continues to operate the studios for the budget period (offset by income).
- A decrease in **corporate contingency** to cover specific risks that have materialised (including the delays in securing commercial/sponsorship in come for both LLDC and the London Stadium) and for the transfer of contingency to the London Stadium to cover further risks post-1 April 2025.

7. SAVINGS AND EFFICIENCIES

7.1. LLDC has delivered a significant amount of savings and efficiencies in previous years. The organisation's core costs will reduce markedly following the planned changes to the organisation in 2025/26.

7.2. Accordingly, LLDC is recognising c£6.3m of savings in the 2025/26 budget when compared to 2024/25. These are largely from expenditure reductions in:

- Marketing and branding, though LLDC retains provision to continue marketing the Park as a destination through business-to-business and business-to-consumer channels.
- Accommodation reflecting the need for reduced office space at 5 Endeavour Square.

- Professional advice and IT provisions (corporate and Park-wide).
- Regeneration programme activities where LLDC will no longer fund direct delivery of programmes but, instead, will fund a small team to secure delivery with and through partners.
- Net increased income from LLDC’s trading activities, including 3 Mills Studios where it is now assumed that LLDC will continue to operate the asset (and that net income, whilst a prudent estimate, will be higher than assumed for 2024/25).
- Staffing, reflecting the reduced headcount across the organisation.

7.3. These are shown in the following table (by directorate):

Revenue savings	2025/26 Budget £m
Communications, Marketing and Strategy	0.3
Executive Office	0.6
Finance, Commercial and Corporate Services	0.3
Park Operations and Venues (excl Trading)	0.4
Regeneration and Community Partnerships	0.3
Trading	0.5
Staffing	3.9
Total savings	6.3

7.4. The opportunity for additional savings from LLDC’s discretionary cost base post-2025/26 will be limited.

8. LONDON STADIUM

8.1. As part of the evolution, LLDC and its leadership will no longer have strategic responsibility for the London Stadium through its subsidiaries E20 Stadium LLP and London Stadium 185 Limited. From 1 April 2025, it is intended that these companies will sit outside of LLDC and become subsidiaries of Greater London Authority Holdings Limited, a wholly owned subsidiary of the Greater London Authority. As this is subject to a Mayoral Decision, expected in December 2024, the London Stadium budgets (revenue and capital) are included within this submission document. Once the Mayoral Decision is finalised, it is expected that the Stadium budgets will be removed and transferred from LLDC to the GLA and reflected in the Mayor’s draft consolidated budget, to be published in January 2025.

Revenue

8.2. Stadium net expenditure relates to the working capital provided by LLDC to fund the deficit of the E20 Group (E20 Stadium LLP and London Stadium 185 Limited) and is predicated on the Stadium’s updated five-year baseline projections. The following table sets out the proposed budgets until 2027/28.

	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	Total £m
Stadium revenue budget					
Stadium expenditure	16.0	19.4	16.0	18.0	69.3
GLA funding	(16.0)	(19.4)	(16.0)	(16.8)	(68.2)
Funding gap	-	-	-	1.2	1.2

8.3. Further subjective detail is provided below:

Stadium revenue budget	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	Total £m
Sales, fees, charges and recharges	(18.0)	(15.1)	(20.8)	(19.4)	(73.3)
Staff costs	4.0	4.3	4.4	4.6	17.2
Premises costs (business rates only)	2.2	2.1	2.2	2.3	8.7
Supplies and services	27.9	28.1	30.2	30.6	116.8
Stadium net expenditure	16.0	19.4	16.0	18.0	69.3
GLA funding	(16.0)	(19.4)	(16.0)	(16.8)	(68.2)
Funding gap	-	-	-	1.2	1.2

8.4. The proposed E20 Group budget for 2025/26 is an EBITDA loss of £16.9m, which is a £0.9m increase on the forecast 2024/25 loss. However, there is a total funding requirement in 2025/26 of £19.4m, which includes contingency for Stadium Naming Rights risk (of non-achievement) and an operational contingency to be used to manage in-year risks.

8.5. The GLA funding represents the current funding as included within LLDC's budgets; this will be transferred to the GLA to offset the expenditure budget. The shortfall in 2027/28¹³ is driven largely by reduced Stadium Naming Rights income reflecting the position negotiated with West Ham United Football Club in relation to the last naming rights campaign and will require additional funding from the GLA once transferred. Note that there is a significant risk in 2026/27 and 2027/28 of the London Stadium not securing naming rights.

Capital

8.6. The following table shows the proposed budgets for capital investment for lifecycle and improvement projects. This includes investment in routine lifecycle and other projects that help to deliver operational, sustainability and/or financial efficiencies at the Stadium. Additional provision is included this year for specific lifecycle works across the next four years, including for the pitch surround (obligated to replace after 6 years), LED boards and grow lights. Also included is provision for phase 2 of the Stadium flooring spend-to-save project.

8.7. Again, the GLA funding represents the current capital grant funding as included within LLDC's budgets. The shortfall in 2025/26 will require additional funding from the GLA once transferred.

Stadium Capital	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	2028/29 to 2033/34 £m	Total £m
Stadium expenditure	8.8	6.8	5.4	6.3	24.0	42.5
GLA funding	(8.8)	(3.8)	(5.4)	(6.3)	(24.0)	(39.5)
Funding gap	-	3.0	-	-	-	3.0

9. EQUITY, DIVERSITY AND INCLUSION

9.1. LLDC's Equity, Diversity and Inclusion (EDI) Strategy currently has five strategic themes, of which four are internally focussed (inclusive culture, recruitment, supporting talent from within and leadership) and the fifth more externally focused through LLDC's work in the local community, led by the Regeneration and Communities Partnerships directorate. LLDC's work continues to be informed by external challenge and best practice, including through work with Inclusive Employers and external networks.

9.2. Key positive actions being taken by LLDC include:

- A continued **focus of the EDI priorities** to concentrate on:
 - Supporting talent from within, particularly colleagues from under-represented groups, to shape their career journeys and development.

¹³ Note that the £16.8m of GLA funding in 2027/28 assumes that c£5.0m will continue to be funded from the GLA's Mayoral Development Corporation reserves.

This was identified as a specific priority as the organisation navigates a period of significant change (with the evolution of LLDC).

- Dedicated EDI learning pathways, and the enhancement of greater opportunities for education and awareness of EDI related content across the organisation. This recognises the need to continue fostering a level playing field across the organisation and ensure that LLDC is continually promoting and embedding LLDC's focus on EDI as a strategic priority, as well as providing opportunities for colleagues to connect with and provide allyship to each other.
- A dedicated focus on data capture and data improvement relating to EDI, including self-declaration to increase the accuracy of LLDC's data and enable LLDC to have improved insights that lead to clear, evidence based decisions about future EDI initiatives and identify where to focus LLDC's efforts for maximum impact.
- The continued marking of **national and international awareness and celebration days** through internal communications and engagement and proactive promotion of EDI connected activity, both internally and externally. Recent celebration events have included:
 - A networking event hosted by LLDC's Inclusive Access and Disability network during National Inclusion Week to share insight and awareness of topics including colour blindness, dyslexia, menopause and migraines.
 - A series of blogs focussing on amplifying different voices and other areas such as religious diversity and colleagues with disabilities. Blogs have included topics such as Black History Month and South Asian Heritage Month and the story of the Sari Squad, a group of South Asian Women in 1980s east London who dedicated themselves to fighting for women's rights within the South Asian community. These blogs help to promote different voices across the organisation and to raise understanding and awareness.
 - A continued focus on mental health awareness and associated topics including managing anxiety and depression.
- Continued support for LLDC's **Colleague Network** Groups, which includes the Race, Culture and Equity Network, LGBT+ Forum, Inclusive Access and Disability Network and Carers Network. These groups play a foundational role in creating safe spaces for colleagues to express themselves, building community and belonging, and influencing the inclusive culture at LLDC.

9.3. At the beginning of April 2024, the LLDC Executive Management Team (EMT) reviewed the current Diversity, Equity and Inclusion strategy, and to begin scoping the future strategic requirements. LLDC's commitment to EDI as a strategic enabler for its future plans was reinforced by these three statements:

- EDI remains a strategic priority for LLDC and an important focus for the organisation
- LLDC will prioritise ethnic diversity given the data on the ethnicity pay gap during and through the evolution of the organisation, post-1 April 2025.
- LLDC will continue to champion equity and commit to an inclusive culture.

9.4. Following the initial scoping work, the Director of People and Organisational Development is leading on a refresh of the Diversity, Equity and Inclusion strategy, which will feed into the future organisational and leadership development work over the coming 6 months. This strategy refresh is being built in partnership with LLDC's internal colleague networks, including the Race, Culture and Equity network, the

LGBTQ+ network and our Inclusive Access and Disability network. It will also take in to account the changing nature of the organisation.

- 9.5. LLDC's work is informed by external challenge and best practice, including through the Mayor's Diversity Standard, work with Inclusive Employers and external networks.
- 9.6. In the external programmes and projects that LLDC undertakes, it consults, co-designs and engages with local communities and community partners. This includes consultation on its development projects and planning applications through various fora including Elevate, Youth Leadership Board and the Park Panel, which comprise local residents, communities and businesses. All applications are reviewed to ensure excellent and inclusive design, including a Design Review Panel and the Build Environment and Access Panel. They are also reviewed by a Community Review Panel, made up of local residents and community representatives.
- 9.7. LLDC's Employment Skills and Education programme connects local talent to learning, career development and job opportunities in and around Queen Elizabeth Olympic Park. This includes programmes that connect into the cultural, creative, digital, and the built environment sectors operating on the Park. It also includes apprenticeships and internships to equip residents and young people with the technical skills required to access jobs in these sectors.
- 9.8. LLDC has ring-fenced budget for its work on inclusion and diversity and is protecting this during the evolution of the organisation, to ensure it is able to commit to progressing the agenda over the coming years.

10. LONDON CLIMATE BUDGET

Overview

- 10.1. The Mayor of London has set a target to achieve net zero carbon by 2030. This ambition requires all areas of the GLA group to contribute. LLDC fully supports this ambition, and its wider sustainability commitments and initiatives are fully aligned with Mayor's net zero 2030 strategy.
- 10.2. LLDC has adopted a Climate Action Strategy, which is underpinned by a clear corporate governance structure with accountability for delivering net zero carbon across the functions of the organisation.
- 10.3. The result is a credible climate emergency response and plan for delivery, which is directly linked to the GLA's climate budget, enabling the cost/ benefit of an effective climate emergency response to be considered.
- 10.4. This section of the submission outlines LLDC's response to supporting the Mayor to achieve his target to make London net zero carbon by 2030, and to make London more resilient to the impact of climate change. LLDC's 2025/2026 Climate Budget submission to the GLA includes 'Level 1' (GLA Group-wide estate and fleet) and Level 2 (London-wide) GLA carbon reporting requirements, defined by the GLA Climate Budget Working Group as follows:
 - LLDC's estimate of baseline emissions trajectory to 2030 for the agreed scope (see below).
 - Level 1 Summary of the funded and unfunded actions needed to reduce LLDC's emissions to net zero by 2030, the emissions reductions associated with each action, the associated costs and,
 - Level 2 reporting which includes the GLA Group's impact on emissions across London.

Level 1 emissions

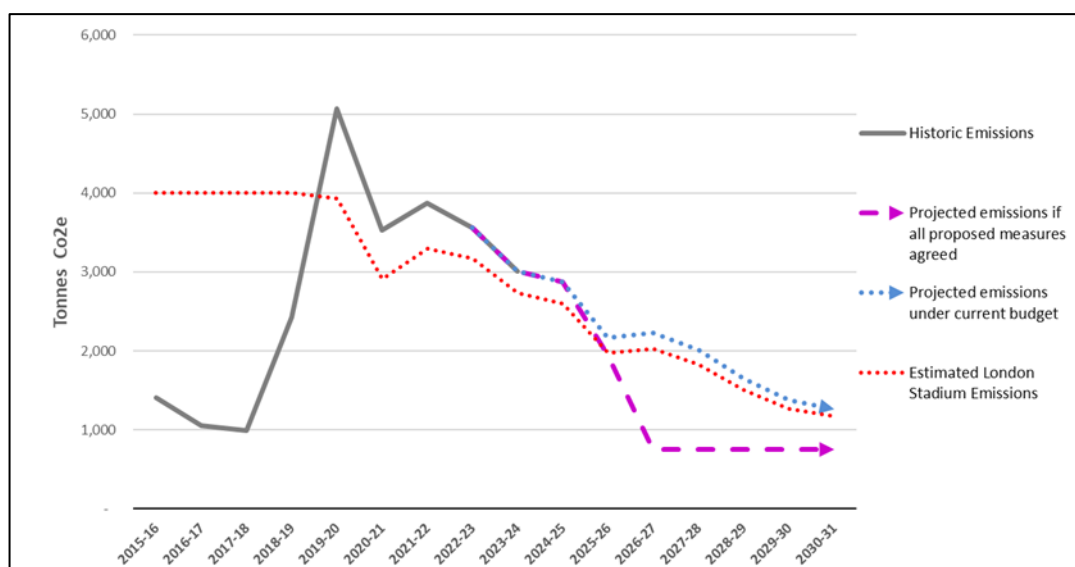
- 10.5. For the purposes of this submission, the following climate measures are included within the scope of LLDC's budget:

- Actions to reduce 'Scope 1' (direct emissions from LLDC-owned or controlled sources) and 'Scope 2' (indirect emissions from the generation of purchased electricity, heating and cooling) emissions from the following areas:
 - Estate (head offices, operational buildings, let properties under management).
 - Support fleet (LLDC has no GLA-defined "operational fleet").
 - Staff air travel.

10.6. The following items are excluded from the scope for 2025/26, although it is anticipated they will be included within the London Climate Budget at a future date. These items are likely to have a significant impact on reducing London's overall emissions in the future:

- Items not already within budget for 2025/26.
- 'Scope 3' greenhouse gas emissions, from the consumption of goods and services (taking account the emissions from production, transportation, and disposal of goods).

10.7. The following graph highlights the impact of LLDC's climate measures on its CO₂ emissions:



10.8. Notes:

- The graph shows historic emissions (grey), projected emissions based on measures included in current budget (blue) and projected emissions when including all actions not currently in budget (purple).
- This graph is updated each year with new data on the latest actual (historic) emissions, any new measures that have been funded (blue line) and any changes to unfunded measures (purple line).
- Historic emissions include transformation from Olympic venues' 'Games mode' to improved efficiency in 'Legacy mode' from 2014 to 2016. Acquisition of the London Stadium operator in 2018 is reflected in the grey line's peak, before energy consumption is reduced. Some of the subsequent reduction is the result of energy efficiency measures but includes the substantial impact of the Covid-19 pandemic.
- The grey line commences with a 'bounce back' from the pandemic, before showing anticipated savings associated within budget (blue) and not yet within budget (purple) carbon reduction measures. The blue line shows estimated residual carbon in 2030 of 1,266 tonnes CO₂e.

- The dotted purple line includes the potential (2026/27) switch to fully renewable electricity under a GLA group power purchase agreement (PPA)¹⁴. The residual amount represents 747 tonnes CO₂ per year from heat and steam based on 2023/2024 figures.
- The dotted blue line shows an initial reduction in emissions from 2019 to 2025 of approximately 41% CO₂ following the completed and planned solar energy and other energy efficiency measures before plateau and following the projected trajectory of the grid decarbonisation to 2030. From 2027, further emissions reductions of approximately 1,912 tonnes are projected following the switch to fully renewable electricity under the GLA Power Purchase Agreement.
- The dashed purple line estimates a 69% reduction in GHG emissions from our 2018 baseline if all funded and unfunded measures are implemented and includes the potential (2026/27) switch to fully renewable electricity under a GLA group power purchase agreement (PPA). The residual amount represents 747 tonnes CO₂e per year. These emissions are attributed to energy from the district energy network, fuel use and emissions from the use of refrigerants mainly associated with the heating and cooling of buildings.

10.9. The budget consists of 22 climate measures; of these, 20 are level 1 climate measures and 2 are level 2 measures. The main climate measures currently included in LLDC's budget 2025/2026 to 2026/27 are set out in the table below (further details in Appendix 5):

Climate Measure	Anticipated reduction in tonnes CO₂ emissions 2025 to 2027	Anticipated total funding required 2025 to 2027 (£000)	Type of funding required (Capital/ Revenue/Mixed)
Solar PV opportunity study	Enabler	n/a	Revenue
Climate risk assessment	Climate adaptation	n/a	Revenue
Heating, Ventilation and Airconditioning (HVAC) improvements	80	45	Mixed

10.10. The actions required to implement the climate measures outlined in the table, above, are as follows:

- Completion of the estate and asset survey and feasibility study to produce a business case and short list of the priority locations for the installation of solar PV to achieve maximum emissions reduction.
- Completion of an estate and asset climate risk assessment to produce an action plan and pathway with associated priority actions and measures to increase the climate resilience through adaptation measures across LLDC's estate and the surrounding area.
- Completion of a survey and inspection to identify opportunities to reduce emissions and improve efficiency of HVAC equipment.

Level 2 emissions

10.11. Further measures being undertaken include Level 2 climate measures that impact London's emissions beyond LLDC's estate and fleet, such as the Stratford Station preferred concept proposal. The expenditure contributes to a major bus and rail

¹⁴ The exact date for this switch is not fixed but is included in 2026-27 for illustrative purposes.

network improvement plan involving a business case to develop and improve Stratford station. Projected expenditure by LLDC for this work in 2025/26 is £1.7m.

- 10.12. Other activities that are ongoing but not listed here include continuing the work to support the decarbonisation of Queen Elizabeth Olympic Park's district energy network.
- 10.13. In future years, the climate budget will encompass supply chain and embodied emissions (level 3). Whilst not part of the climate budget this year, LLDC is already targeting that new residential developments are net zero carbon when taking into consideration the whole lifecycle by 2030.

Co-benefits associated with climate measures

- 10.14. The climate measures above, in addition to their direct impact in lowering emissions, also provide co-benefits. These include reduced operational costs and improved air quality because of reduced air emissions associated with energy production.

Green tariffs and air travel

- 10.15. Regarding the use of green energy tariffs, LLDC anticipates transferring from a REGO¹⁵-backed renewable energy contract to the GLA's renewable Power Purchase Agreement (PPA) following the initial PPA that is being secured by Transport for London.
- 10.16. Emissions from staff air travel have been calculated as 7 CO₂ tonnes in the 2023/24 financial year. LLDC offsets these emissions by an independently verified tree planting carbon offset scheme – delivered by Trees for Cities, verified by Avieco.

Climate risk and adaptation

- 10.17. LLDC recently completed a re-assessment of the baseline assessment of the current and projected physical climate risks to LLDC's body's estate and infrastructure.
- 10.18. The findings of this updated assessment were used to inform the work described in the current climate budget. The assessment will also result in recommendations for LLDC to develop a systemic approach to managing future adaptation and climate risk mitigation measures (e.g. in relation to flooding, heat, drought, fire, and extreme weather) and an adaptation pathway, risk mitigation strategy or approach to integrating relevant adaptation actions into our capital works programme.
- 10.19. Despite the need for this longer-term piece of work, climate adaptation opportunities have been identified and included in the climate budget, most notably through the review and mapping of the surface water drainage network across the Park and the opportunities the work presents in terms of identifying climate adaptation opportunities.
- 10.20. There is also a study proposed in the budget to assess rainwater harvesting opportunities which has the potential to provide multiple benefits in terms of reducing physical and financial risk in relation to drought and water supply.

Level 1 emissions – future measures

- 10.21. As shown in the earlier graph, there remains a potential gap in delivering the mayor's net zero 2030 target. A list of currently unfunded climate measures is outlined in Appendix 6.
- 10.22. In addition, there are actions included in this budget that, upon completion, will highlight key near-term future actions that will require funding to support achieving net zero carbon by 2030. These actions include the solar PV study, which will recommend a minimum of four priority locations for the installation of solar panels

¹⁵ Renewable Energy Guarantees of Origin

on LLDC's estate, and actions resulting from the completion of the climate risk assessment.

- 10.23. The total amount of additional funding that is forecast to be required is c.£1.9m for capital decarbonisation projects included in table B (Appendix 6), which is not funded within LLDC's Long Term Model; it also does not contain funding for any additional resources that may be required. LLDC will therefore continue to engage with the GLA to consider funding opportunities through central government and private finance. If funding can be secured, there is a high likelihood that the measures can be delivered by 2030.
- 10.24. It is estimated that even if all these additional measures are implemented there would remain 747 CO₂ tonnes of residual emissions in 2030. More work is required to develop further options to reduce this gap which will be used to inform next year's London Climate Budget submission.
- 10.25. The main uncertainties inherent in the LLDC climate budget process are as follows:
- Data accuracy of likely future consumption compared with current. As the climate budget and reporting requirements become more embedded into LLC's budget setting and environmental sustainability reporting this data is becoming more accurate, but there are still areas to be improved.
 - External dependencies which may affect carbon emissions (e.g. the type and timing of development agreements; scale and scope of operations such as with the number and types of events on the Park, and technical developments).
 - The availability of funding and the terms of any associated grant or borrowing.
 - The increasing awareness of the imperative for rapid decarbonisation, particularly with the increased use of financial analysis related to carbon emissions and their resultant impact.

11. DELIVERABLES

- 11.1. The mission of LLDC is to use the opportunity of the London 2012 Games and the creation of Queen Elizabeth Olympic Park (QEOP) to change the lives of people in east London and drive growth and investment in London and the UK, by developing an inspiring and innovative place where people want – and can afford – to live, work and visit.
- 11.2. The previous QEOP strategy, written in 2015 and updated in October 2016 to reflect the priorities of the (then) newly elected Mayor of London, outlined the enormous amount of work involved in transforming Queen Elizabeth Olympic Park into a new and unique visitor destination following the London 2012 Games.
- 11.3. LLDC and its partners have agreed a 2030 Vision for Queen Elizabeth Olympic Park, to create *“an innovative London metropolitan centre with a global focus, powered by inclusive growth and with community and opportunity at its heart.”*
- 11.4. In 2021, a new QEOP Strategy to 2025 was published, link [here](#) (note that work will begin shortly on LLDC's next strategy). The QEOP Strategy to 2025 outlines key activities LLDC has taken forward up to its evolution in April 2025 to support delivery of the 2030 Vision. Its structure mirrors the three strands of the Vision: **Inclusive Growth, Community and Opportunity**, as set out in the following diagram:



11.5. It also sets out five priority objectives for the period to 2025:

- East Bank operational, with partners self-organising and leading delivery of strategic outcomes
- Delivery of a high quality and varied residential offer which responds to local need
- Delivery of critical physical connectivity enhancements
- Increased financial sustainability for Queen Elizabeth Olympic Park
- Groundwork laid for post-Transition operation and oversight of Queen Elizabeth Olympic Park

11.6. Four Priority Themes are embedded throughout the strategy, driving LLDC's strategic objectives and the outcomes it seeks to deliver:

- Delivering inclusive growth and community well-being
- Delivering sustainable development and responding to the climate emergency (delivered through LLDC's Climate Action Strategy).
- Delivering high quality design
- Delivering inclusion and diversity

Inclusive Growth: a place in which people want to invest, enhancing local lives as well as national economic growth

Community: An attractive and inspiring place where people come

- **East Bank:** A new powerhouse for innovation, creativity and learning
- **Residential delivery:** Chobham Manor and Hackney Wick Central complete; East Wick and Sweetwater, Stratford Waterfront, Bridgewater, and Rick Roberts Way under construction; delivery strategy agreed and delivery vehicle in place for Pudding Mill Lane
- **A diverse, unique and successful visitor destination:** Quality and safety of Park and venues; varied sporting and entertainment programme; high visitor satisfaction maintained
- **A thriving business and innovation hub:** Employment clusters; QEOP Inclusive Innovation District
- **Building the infrastructure of growth:** Long term redevelopment of Stratford Station

together to achieve great things.

- **Building successful communities:** Affordable and family housing; social and community infrastructure; public and open space
- **Connecting communities:** Focus on eight strategic routes to enhance access to and within QEOP
- **A community asset:** Community activities and events; schools and youth engagement; supporting community networks
- **Supporting sustainable lifestyles:** Delivery of environmental sustainability targets in line with Mayor's Climate Emergency Response

Opportunity: A place where local talent is celebrated and the benefits of regeneration can be shared by all

- **Realising the wider benefits of East Bank:** Strategic Objectives Delivery Plan; Impact and Evaluation Study
- **A diverse local talent pipeline:** East Education; delivery of East Works through new Good Growth Hub
- **A local and diverse Park workforce:** Employment targets for local and priority groups; new construction training centre

Supporting Delivery:

11.7. The strategic themes are supported by the following strategic enablers:

- Increased financial sustainability for Queen Elizabeth Olympic Park.
- Groundwork laid for the future operation and oversight of Queen Elizabeth Olympic Park (agreement on the future operations and oversight of Queen Elizabeth Olympic Park are now in place for the next phase of LLDC from 1 April 2025)
- A people-centred approach

11.8. The key deliverables for 2025/26 are set out below (updates on the 2024/25 deliverables can be seen in LLDC's quarterly Corporate Performance Reports, published on its website [here](#)):

Inclusive Growth

- Successful operation of East Bank with UCL East and UAL's London College of Fashion Sadler's Wells Theatre open; fit out work continues to programme for opening of BBC Studios and V&A East in 2026.
- Delivery of East Bank Strategic Outcomes, led by the East Bank partners.
- Maintain safe and well-maintained Park and attracting visitors: measuring against the estimate of circa 20m visits per annum (raising to 21.5m when East Bank is fully operational).
- Manage and maintain the quality of the Park and venues, including retaining Green Flag status.
- Operate safe and well-maintained venues, including over 1m visits to the London Aquatics Centre.
- Support safe delivery of events, community sports and filming on the Park
- Deliver the Climate Action Strategy (supported by a carbon budget) for LLDC, in line with the Mayor's targets (net zero carbon by 2030, aligned with a 1.5-degree future).

Community

- East Wick and Sweetwater Phase 2 construction complete and delivery of agreed programme for later phases.
- Vacant possession place for Stratford Waterfront residential for start on site in 2026.
- Bridgewater Triangle RMA submission and approval; infrastructure works continue on programme
- Submit Pudding Mill Lane Reserved Matters Application and construction underway.
- Rick Roberts Way detailed planning application approved; site construction commences.
- Construction of Hackney Wick Neighbourhood Centre on programme for completion in 2026/27.
- Partner delivery of community events on the Park.

Opportunity

- Continue to support Inclusive Economy agenda with Growth Boroughs and partners.
- Successful operation of the Good Growth Hub, the physical facility to deliver at the scale required to meet demands of QEOP employers and maximise opportunities for local residents, including meeting engagement targets.
- Delivery of the Shared Training and Employment Programme (STEP) programme.
- Successful operation of the Build East construction training centre, including demands of QEOP employers and wider east London contractors.
- Meeting targets for construction and end use jobs for local people, Black, Asian and Minority Ethnic groups, disabled people, women and apprentices.

- Support to partners in delivery of a coordinated education offer in the local area via the East Ed programme.
- Delivering the SHIFT Inclusive Innovation District:
 - Securing SHIFT's ongoing financial sustainability
 - Developing the Park as a nationally recognised Testbed for Research and Development and innovation trialling
 - Building a diverse ecosystem of innovating organisations from across the public, private, non-profit, and university sectors

Supporting Delivery

- Close working with the GLA on budgets, funding and LLDC's Long Term Model.
- Deliver improved commercial performance including naming rights, first phase of digital signage in place, South Park Spaces construction and successful delivery of retail units.
- Unqualified accounts for LLDC and its subsidiaries.
- Support the Mayor's Agenda for ensuring that GLA Group organisations are inclusive and diverse including: improvements in gender and ethnicity pay gap; increased representation of under-represented groups at senior levels at LLDC.
- Health and safety: construction undertaken without a fatal accident on site; to prevent any life-changing injury or occupational ill-health for any individual and to minimise reportable accidents to a rate below 0.17 per 100,000 hours worked.
- Support LLDC's operations, reputation, stakeholder management and commercial activities through communication and marketing activities.

12. GROUP COLLABORATION

12.1. The GLA Group Collaboration Board develops and oversees plans for further ways in which the GLA Group can work together more closely to deliver efficiency, effectiveness, economic benefit, and key Mayoral priorities. The Board aims for Group organisations to "work as one, delivering maximum benefit to Londoners". This is achieved by removing operational and cultural barriers to joint working, enabling GLA Group organisations and key partners to be willing and able to work together as efficiently and effectively as if they were part of the same organisation.

12.2. Examples of projects delivered via GLA Group Collaboration in 2024/25 are:

- TfL providing a shared IT service to the GLA, Old Oak and Park Royal Development Corporation (OPDC), Mayor's Office for Policing and Crime (MOPAC) and LLDC, improving resilience and minimising duplication
- A Treasury Collaboration project between the GLA and TfL, delivering improved systems, processes, resilience and financial outcomes, particularly in relation to back office and investment activities
- A group-wide Estates and Facilities Management (EFM) Strategy, delivering general purpose office and HQ accommodation disposals, relocations and improvements, as well as wider EFM collaboration
- An Energy Procurement project leveraging TfL's significant energy purchasing power to bring benefits for the whole GLA Group through long-term power purchase agreements
- A new secondment portal and mentoring platform, both of which are available to all Group organisations and aim to develop and retain talent within the GLA Group

- Electric Vehicle Infrastructure Delivery (EVID), with current plans to deliver up to 200 EV charging bays on suitable GLA Group-owned land sites.
- 12.3. LLDC has a strong commitment to greater collaboration and plays an active role in the GLA Group Collaboration activities, including:
- Chairing various Collaborative Professional Communities (CPC), such as Finance, which has made considerable progress in joining together finance professionals from across the GLA group, Housing and Procurement
 - Being early adopters on shared services, including agreements for governance, internal audit, legal services, procurement and insurance. LLDC will also move to a shared IT services provision in early 2025.

13. LEGAL IMPLICATIONS

13.1. Under the terms of the Mayoral London Legacy Development Corporation Governance Direction 2013, LLDC is obliged to:

- consult with the Mayor before approving the budget and business plan for the purpose of making a formal submission to the GLA as part of the GLA Group's annual statutory budget approval process.
- before the end of each financial year, and in consultation with relevant GLA officers, prepare a detailed core business plan for the following year as part of a rolling business planning process, including changes to base-line pay for the year covered by the budget, borrowing limits and prudential indicators.
- obtain prior consent to the consideration by the Board of any draft core business plan for approval.

13.2. LLDC has consulted the GLA on the Long Term Model and reviewed the financial information underpinning it.

14. PRIORITY THEMES

14.1. LLDC has four priority themes, which drive its objectives and outcomes and to which this budget is aligned – these are:

- Delivering inclusive growth and community well-being
- Delivering sustainable development and responding to the climate emergency
- Delivering high quality design
- Delivering inclusion and diversity

14.2. LLDC, in fulfilling the Mayor's priorities, as set out in Section 2, are in line with the priority themes set.

15. APPENDICES

- Appendix 1 – Budget tables (post-1 April 2025 organisation structure)
- Appendix 2 – Risks to the budget
- Appendix 3 – LLDC's Capital Strategy 2025/26
- Appendix 4 – Climate Budget Table A
- Appendix 5 – Climate Budget Table B
- Appendix 6 – Climate Budget Table C

Appendix 1 – Budget tables (post-1 April 2025 organisation structure)

Capital

Capital Budget	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	2028/29 Plan £m	Total Budget/Plan £m
Income						
Capital receipts	21.2	38.0	24.5	40.8	50.0	153.2
East Bank	4.6	48.2	-	-	-	48.2
GLA Grant	84.7	22.2	24.4	-	5.7	52.3
Other (incl Section 106/CIL)	5.4	4.6	2.4	1.4	1.0	9.4
Total Capital Income	115.9	113.0	51.2	42.2	56.7	263.2
Expenditure						
Estates & Neighbourhoods	(15.6)	(5.1)	(1.7)	(1.9)	(1.7)	(10.4)
Development	(24.0)	(40.3)	(35.4)	(28.5)	(20.1)	(124.3)
Corporate Services	(1.7)	(0.7)	(0.3)	(0.2)	(0.2)	(1.5)
East Bank	(93.0)	(14.9)	(1.1)	(0.8)	(0.1)	(16.9)
Construction	(0.3)	-	-	-	-	-
Stadium	(9.0)	-	-	-	-	-
Contingency	(6.4)	0.0	(5.3)	(4.2)	-	(9.5)
Corporation Tax	-	(5.4)	(4.3)	(4.5)	(6.8)	(21.1)
Total Capital Expenditure	(149.9)	(66.4)	(48.0)	(40.3)	(29.1)	(183.7)
Net Capital Expenditure	(34.0)	46.6	3.3	1.9	27.7	79.4
<i>Cash adjustments for BBC/UAL loan funding</i>	<i>1.5</i>	<i>(36.8)</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>	<i>(26.8)</i>
Cumulative borrowing	539.3	529.5	521.3	514.4	481.7	

Revenue

Revenue - LLDC	2024/25 Forecast £m	2025/26 Budget £m	2026/27 Plan £m	2027/28 Plan £m	Total £m
Income					
Estates & Neighbourhoods	6.6	7.7	11.5	14.7	40.5
Trading	7.6	10.7	10.9	10.8	39.9
Corporate Services	0.6	-	-	-	0.6
Development	0.9	0.8	0.8	0.9	3.4
Regeneration and Community Partnerships	1.4	1.1	-	-	2.5
Planning Policy and Decisions	1.2	-	-	-	1.2
Total Income	18.4	20.3	23.3	26.3	88.2
Expenditure					
Estates & Neighbourhoods	(14.5)	(14.1)	(15.4)	(17.3)	(61.3)
Trading	(7.2)	(8.8)	(8.9)	(8.9)	(33.7)
Corporate Services	(10.6)	(7.8)	(7.6)	(7.7)	(33.7)
Development	(0.6)	(0.0)	(0.0)	(0.0)	(0.7)
Regeneration and Community Partnerships	(4.0)	(1.8)	(0.7)	(0.7)	(7.1)
Planning Policy and Decisions	(3.5)	-	-	-	(3.5)
Contingency	(7.2)	(1.2)	(1.3)	(1.9)	(11.5)
Total Expenditure	(47.6)	(33.8)	(33.8)	(36.4)	(151.6)
Net Expenditure	(29.3)	(13.5)	(10.6)	(10.1)	(63.5)
<i>GLA funding:</i>					
Core grant	19.1	11.3	11.5	11.7	53.6
Carried-forward (MDC Reserve)	10.2	2.2	0.3	-	12.7
Funding to be transferred to London Stadium	-	-	(1.2)	(1.6)	(2.8)
Funding gap	-	-	-	-	-

Appendix 2 – Risks to the budget

There are several risks to achieving the financial forecasts in the budget as submitted.

CAPITAL RISKS

1. Development receipts

Timing

LLDC has experienced challenges with the timing of capital receipts and slippage on development programmes in recent years, particularly due to viability issues faced by the contracted developers. This includes the ongoing risk of delays to development programmes – and therefore the timing of capital receipts – due to acute inflationary and financing cost pressures and the impact of changes in Government fire safety regulations.

Market risk and house price inflation assumptions

Forecast development receipts are sensitive to market risk and house price indexation (HPI) assumptions. Small variations in the rates can have a large impact on receipts.

As set out in the Housing Delivery Plan update to the Board in July 2024, LLDC has updated its HPI assumptions based on an average of third-party London-wide forecasts (Savills, Knight Frank and Jones Lang LaSelle) who have updated their projections this year.

Tender price inflation

Significant increases in tender price inflation (TPI) have impacted construction costs in recent years, due to a range of factors. Demand exceeded supply as the economy recovered from the worst impacts of the pandemic, with manufacturers and logistics companies struggling to scale up to manage pent-up demand.

Exacerbating this, Brexit and the war in Ukraine caused labour and materials supplies shortages. While the outlook for TPI inflation is lower than last year, there continues to be risks of volatility inherent in the forecasts. Although construction demand has held up to date, the rise in interest rates has affected both construction companies who rely on credit but also major investors such as the local authorities who have invested significantly in housebuilding in recent years.

Other assumptions

There is a risk that variations to other assumptions, such as financing costs and developer profits, could have a material impact upon LLDC's development receipts assumed within the Long Term Model. This is particularly relevant in current market conditions where development viability is under increasing pressure.

Demand from developers, including Registered Providers, has stalled, nationally, regionally and locally, due to the variety of pressures upon project viability, including the additional costs associated with fire safety regulation.

2. Corporation Tax

As a Mayoral Development Corporation, LLDC is subject to corporation tax and there is a risk that changes in tax legislation or rulings from HMRC could have an adverse impact upon LLDC's forecasts.

3. East Bank

Anticipated Final Cost

East Bank costs have increased by £54m in this budget submission. Significant risks remain on this project, including:

- Completion of design integration – significant design interface risks
- Package interface management – ongoing through to completion
- Supply volatility (material and labour) – ongoing through to completion
- Commissioning and handover

Key mitigations:

- Close scrutiny of the project by the LLDC senior executive – fortnightly project principles review with the Chief Executive and executive and key project personnel including the Mace executive lead; monthly Implementation Reviews (deep dive on all aspects of the project), ad hoc scrutiny of specific issues and regular meetings between the LLDC Chief Executive and key contractors;
- Three lines of defence, being the project team (first line), Arcadis commercial assurance (second line) and an independently chaired Risk and Assurance Board¹ (third line);
- Transparency in reporting – to partners through project governance, the GLA at Finance and Policy Liaison, but also quarterly monitoring reports now contain project anticipated final costs vs budget; and
- Close monitoring of risks and risk mitigation.

Philanthropic funding

The fundraising environment continues to be challenging; however, work continues on securing philanthropic funding. Notwithstanding, there is a risk that the philanthropic receipts assumed in the Long Term Model are not raised.

4. District Heating Network

With the greater decarbonisation of the grid, there is a significant risk (with associated costs) that the District Heating Network falls below the requirements of building regulations. Work, including the lobbying of Government (who recently announced their support for the phasing of improvements/decarbonisation to existing infrastructure) and discussions with Equans (who have now completed the installation of a first heat pump at the Stratford City Energy Centre) are ongoing to mitigate the risk.

5. Asset disposals

The Long Term Model includes the assumed disposal of capital assets. There is a risk that these disposals do not happen at the expected time and/or disposal value, which would place pressure on LLDC's borrowings and overall Long Term Model.

LLDC also owns and is responsible for a range of infrastructure and other assets (including roads and bridges) that will require future adoption by third parties, such as the local boroughs.

6. Lifecycle

There is a risk that the current lifecycle provision across the estate is not sufficient.

¹ the Chair also attends Implementation Review meetings and relevant discussions at the Investment Committee

REVENUE RISKS

7. Inflation

There is a risk that if there were to be an unexpected spike again in inflationary increases beyond the levels provided for, then LLDC would require additional GLA funding to mitigate such pressures.

8. Commercial income

The budget includes prudent assumptions for commercial income. However, there is a risk that the commercial income targets included in the budget submission are not met. LLDC now has minimal available contingencies to absorb such risks and would therefore likely require additional funding from the GLA if these risks were to crystallise across the budget period.

9. Rental income

The rental income from Public Rented Sector (PRS) units on the Eastwick and Sweetwater development is dependent on the timing of the development. Any delays to the construction programme will have a knock-on effect to the timing of when the rental income will be received.

The Here East rental currently agreement pays 10% of net rental income received on a cash basis to LLDC. Rent-free periods granted to tenants and the inclusion of management costs by Delancey (reviewed by LLDC) increase the risk that Here East takes longer to reach the expected levels of net cashflow, thereby impacting the amount and timing of any receipt of rental income for LLDC. Here East have an option to buy out LLDC's rental interest at market value, which would result in a credit to LLDC's borrowings from the GLA, however the rental stream forgone is significant.

10. Trading performance

LLDC has reprocured its Estates and Facilities Management and venue operator contracts. Whilst this has secured savings/increased income, LLDC is still exposed to risk within the contracts – for example, utilities cost risk at the London Aquatics Centre. LLDC will also continue to be exposed to market and other risks at 3 Mills Studios if, as now expected, it does not secure a sub-lessee for the asset.

There is no provision in the budget for repayment by LLDC of the ArcelorMittal Orbit loan (and interest on the loan) as the cumulative profitability of the venue is unlikely to trigger loan repayments.

11. Post-transition costs

LLDC has made prudent assumptions about income and expenditure for the evolved organisation in 2025/26 and beyond. There is a general risk that income is lower and/or costs are higher than assumed for currently unknown/unforeseen reasons. LLDC has minimal provision to absorb such changes; however, this will need to be monitored closely with the GLA to ensure the evolved organisation has adequate budget provision to deliver its responsibilities.

The risks outlined in this Appendix are included in the corporate and departmental risk registers and are managed through LLDC's embedded risk management process.

Appendix 3 – LLDC Capital Strategy 2025/26

1. Introduction

- 1.1. London Legacy Development Corporation (LLDC) is a Mayoral Development Corporation established under the Localism Act 2011 and a functional body of the Greater London Authority (GLA). The GLA is the strategic authority for London and supports the Mayor and the London Assembly in delivering their responsibilities and functions.
- 1.2. LLDC's mission is *'to use the opportunity of the London 2012 Games and the creation of Queen Elizabeth Olympic Park to change the lives of people in east London and drive growth and investment in London and the UK, by developing an inspiring and innovative place where people want - and can afford - to live, work and visit'*.

2. Intention

- 2.1. The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code now requires all local authorities to produce a Capital Strategy.
- 2.2. LLDC's Capital Strategy will form part of a GLA Group-wide strategy, intended to drive the Mayor's capital investment ambition, whilst ensuring the sustainable, long term delivery of services. The strategy will demonstrate that LLDC's capital expenditure and investment decisions are made in line with Mayoral priorities and properly take account of stewardship, value for money, prudence, sustainability and affordability, and give due regard to risk and reward.
- 2.3. The aims of the Capital Strategy are to:
 - Prioritise projects that deliver Mayoral priorities and [LLDC's vision](#) *'to create an innovative London metropolitan centre with a global focus, powered by inclusive growth, with community and opportunity at its heart'*
 - Set out how LLDC identifies, priorities and programmes funding requirements from the GLA arising from business plans and project proposals that are submitted through LLDC's governance process
 - Consider options available for funding capital expenditure and identify the resources available for investment over the long-term
 - Identify capital income streams, assessing the associated risks and profiling
 - Establish effective arrangements for the oversight and management of expenditure, including the assessment of deliverability, outcomes, budget profiling and value for money

3. Benefits

- 3.1. The benefits of preparing a Capital Strategy are to:
 - Provide a clear framework in which LLDC's capital investment decisions are made

- Help ensure LLDC's capital plans aligns to the Mayor's priorities and, ultimately, achieves LLDC's mission (set out in 1.2)
- Promote transparency and accountability, ensuring that LLDC takes ownership of its decisions and commitments

4. Approach

- 4.1. To help ensure capital resources are allocated optimally and deliver value for money, LLDC's long-term capital planning is determined in parallel with the annual statutory GLA budget process.
- 4.2. LLDC has a Long Term Model, which underpins the Capital Strategy and forecasts LLDC's capital income and expenditure over a long-term period, using assumptions about economic factors (e.g. inflation), future spending scenarios (e.g. major capital projects) and other salient variables (e.g. staffing levels). The Long Term Model enables LLDC to plan and align its financial capacity with its corporate strategy and objectives.
- 4.3. LLDC operates within the overall legislative and governance framework provided by the GLA Act 1999 and 2007 (which include the London Assembly's power of summons and budgetary approval), provisions of the Local Government Act 1972 (for example, in relation to public access to meetings and information) and the Localism Act 2011. To aid good decision making and ensure that public funds are optimally utilised, LLDC has in place a capital investment oversight and appraisal mechanism that includes:
 - **LLDC Board:** Review and approval of all capital investment decisions above £20.0m; annual review and approval of the LLDC Capital Budget before submission to the GLA.
 - **LLDC Investment Committee:** Review and approval of all capital investment decisions between £10.0m and £20.0m; review of quarterly Corporate Management Accounts, which includes year-to-date capital expenditure versus budget and forecast outturn for the financial year; annual review and recommendation of the LLDC Capital Budget for Board approval before submission to the GLA.
 - **Executive Management Team:** Review and approval of all capital investment decisions between £0.25m and £10.0m¹; annual review of the LLDC Capital Budget prior to submission to the Investment Committee and Board (see above); review of monthly Corporate Management Accounts and other business updates that have an impact upon capital income or expenditure.
 - **Project Boards:** For major projects such as East Bank there are project boards with responsibility for oversight of project delivery, risk, programme and budget.

¹ The Executive Management Team will review all capital investment decisions above £10m prior to their submission to Investment Committee or Board

- 4.4. The Long Term Model is reviewed and updated on an annual basis (as a minimum) and shared with key stakeholders, including the GLA and the LLDC Board, as part of the annual budget setting process. It is monitored throughout the year and referenced in any business cases that arise during the financial year.
- 4.5. The Capital Strategy is updated on an annual basis as part of the budget submission process and reviewed by the Executive Management Team, Investment Committee and Board² prior to submission to the GLA.

5. Influences

- 5.1. Key influences upon LLDC's Capital Strategy include:

Internal

- **Queen Elizabeth Olympic Park (QEOP) Strategy to 2025:** The previous QEOP strategy, written in 2015 and updated in October 2016 to reflect the priorities of the (then) newly elected Mayor of London, outlined the work involved in transforming Queen Elizabeth Olympic Park into a new and unique visitor destination following the London 2012 Games. LLDC and its partners have agreed a 2030 Vision for Queen Elizabeth Olympic Park, to create “*an innovative London metropolitan centre with a global focus, powered by inclusive growth and with community and opportunity at its heart.*” In 2021, a new QEOP Strategy to 2025 was published, [link here](#). The strategy outlines key activities LLDC will take forward between now and the Transition of LLDC to support delivery of the 2030. Its structure mirrors the three strands of the Vision: Inclusive Growth, Community and Opportunity. Note that the strategy will shortly be updated and refreshed.
- **LLDC Local Plan:** sets out LLDC's strategy for the sustainable development of its planning area, including the general amount, type and location of new development it considers could take place and the policies to which applications for planning permission should conform to meet these objectives. LLDC's planning powers, including preparing and implementing the Local Plan, will revert to the four local boroughs from 1 December 2024.
- **Housing Delivery Plan:** This sets out LLDC's ongoing delivery strategy in relation to its land holdings within Queen Elizabeth Olympic Park and the wider Mayoral Development Corporation area.

External

- **The Mayor of London/GLA:** As set out in the following section, LLDC's Capital Strategy aligns to the Mayor's priorities including Housing, Accommodating Growth and Environment, Transport and Public Space. Clearly, a change in Mayor can bring with it a change in policy direction. In addition, the GLA is

² The LLDC Board has final approval of the budget before it is submitted to the GLA

LLDC’s main funder, providing funding for capital investment, which will be repaid over the long term. LLDC maintains a continuous dialogue with the GLA at both a policy and operational level, which helps inform capital investment proposals and decisions.

- **Local authorities within LLDC area:** The mayors from each of the four ‘host’ boroughs, London Boroughs of Newham, Hackney, Tower Hamlets and Waltham Forest, are members of the LLDC Board.
- **Key partners:** For example, for the East Bank project these include the V&A, Sadler’s Wells, University of the Arts London (UAL), BBC and University College London (UCL). Elsewhere, these also include Balfour Beatty Investments Limited and Places for People (East Wick and Sweetwater), Delancey (Here East) and Ballymore (Stratford Waterfront and Bridgewater Triangle).
- **Macro-economic factors:** As a development corporation, LLDC is involved in significant levels of development activity, incurring capital expenditure (such as construction costs) as well as generating capital receipts. These mean that it is exposed to key economic factors such as inflation (house price and construction cost inflation), labour costs, interest rates and taxation rates. Each of these factors will influence capital investment decisions and outcomes.

6. Policies

6.1. LLDC’s Capital Strategy aligns to the Mayor’s priorities – these are set out in the following table:

Mayor’s priority	Examples of aligned projects
<i>Arts and culture</i>	<ul style="list-style-type: none"> • East Bank (V&A, Sadler’s Wells, UAL, BBC and UCL)
<i>Affordable housing</i>	<ul style="list-style-type: none"> • Housing (including Chobham Manor, East Wick and Sweetwater, Stratford Waterfront, Pudding Mill Lane and Rick Roberts Way) and associated major infrastructure works
<i>London’s economy</i>	<ul style="list-style-type: none"> • East Bank (V&A, Sadler’s Wells, UAL, BBC and UCL), Here East, London Stadium*
<i>Environment</i>	<ul style="list-style-type: none"> • Carbon reduction projects such as LED lighting and solar membrane at the London Stadium (as captured in LLDC’s Climate Budget)

**responsibility for the London Stadium is intended to transfer to the GLA from 1 April 2025*

6.2. There are links between the Capital Strategy and the Treasury Management Strategy, which is reviewed and approved annually by the LLDC Board. LLDC is part of the GLA group investment arrangements.

7. Capital Ambition

7.1. LLDC's 20-year Capital Ambition³ is framed within the following financial parameters, as agreed with the GLA and in line with the Prudential Code:

- Maximum borrowing limit of £550m;
- Direct capital grant funding will be provided by the GLA towards the East Bank project and to remain within the borrowing limits; and
- The requirement for LLDC to be able to demonstrate that it can repay its borrowing from the GLA across all its activity, including from the proceeds of housing developments.

7.2. LLDC has four priority themes, which drive its objectives and outcomes and to which this Capital Strategy is aligned – these are:

- Delivering inclusive growth and community well-being
- Delivering sustainable development and responding to the climate emergency
- Delivering high quality design
- Delivering inclusion and diversity

7.3. The priority capital programmes included in LLDC's Capital Ambition (included in the Capital Investment Plan⁴ at Appendix 1) are as follows:

East Bank

Mayoral priorities: Arts and culture

LLDC and its partners, Sadler's Wells, UAL, V&A, BBC and UCL have worked together to bring forward transformative, world-leading additions to the education and cultural offer in Stratford.

The key elements are a new campus for UCL (delivered by UCL), to the south of the Park ('UCL East'), and at Stratford Waterfront, a mixed educational and cultural district with housing on the Stratford Waterfront site. This includes a new V&A Museum, consolidation of all UAL's London College of Fashion on one site, a new Sadler's Wells dance theatre and a new building for the BBC's Symphony Orchestra and broadcasting studio currently located in Maida Vale, and residential development (covered further under 'Housing').

East Bank will bring an additional 1.5 million visitors to the Park and surrounding area each year, create more than 2,500 jobs and generate an estimated £1.5 billion for the local economy.

Within LLDC's Capital Ambition are the remaining costs to be incurred by LLDC in delivering the Stratford Waterfront cultural and education buildings. The Capital

³ As defined by the Mayor's Budget Guidance 2024-25 (issued July 2023)

⁴ As defined by the Mayor's Budget Guidance 2024-25 (issued July 2023)

Funding Plan⁵ (see Appendix 2) includes third-party funding for the East Bank project, including contributions towards costs from certain partners, lease premiums and philanthropic donations. The remaining net costs is funded through borrowings and direct capital grant funding from the GLA.

Housing delivery plans

Mayoral priorities: Affordable housing and London's economy

LLDC secured outline consent to build five new neighbourhoods on the Park under the Legacy Communities Scheme (LCS) in 2012, with the aim of delivering 24,000⁶ homes by 2031. These are Chobham Manor, East Wick and Sweetwater, Rick Roberts Way, Pudding Mill Lane and Stratford Waterfront.

Chobham Manor was the first of the LCS neighbourhoods to welcome residents. Now complete, it was delivered by Chobham Manor LLP (Taylor Wimpey and London & Quadrant) and consists of 880 new homes, 28% affordable and 75% family units.

The **East Wick and Sweetwater** neighbourhoods were originally planned to start in 2022 but were accelerated to bring forward housing, sooner. To do this successfully, LLDC included Private Rented Sector (PRS) housing into the housing mix and has also accelerated the social infrastructure to create successful and sustainable neighbourhoods.

The housing is being delivered by East Wick and Sweetwater Projects (Balfour Beatty Investments and Places for People). It will deliver c1,860 homes, approximately 34% affordable. Phase one (302 units in total) construction is complete (and properties occupied) and Phase 2 main works have started on site (210 units – first completions April 2025), and Phase 3 (411 units) is due to start on site in September 2025.

Income from the East Wick and Sweetwater development is included within 'Capital Receipts' in the Capital Funding plan. The expected receipts are based upon the terms of the development management agreement and are subject to external factors such as housing demand and house price inflation. LLDC also retain ownership of a portfolio of 28 PRS units from the development (known as the 'co-investment units'), which will provide an income stream for 10-15 years, followed by a capital receipt when sold. Place for People manage these units on behalf of LLDC.

In June 2018, the Mayor announced that at least 50% of new homes across the remaining development sites on the Park – Stratford Waterfront, Pudding Mill and Rick Roberts Way - will be affordable, in line with the Mayor's commitment that all sites he disposes of will be at least 50% affordable (sites already under contract remain unchanged). That commitment was embedded within the planning consent granted for Stratford Waterfront in July 2019.

⁵ As defined by the Mayor's Budget Guidance 2024-25 (issued July 2023)

⁶ Note that this will be less due to the impact of the East Bank project on Stratford Waterfront

Stratford Waterfront was initially intended, under the original LCS outline masterplan consent, to include a significant amount of residential development – approximately 900 homes. Subsequent plans for East Bank reduced this residential provision to accommodate the new cultural and education district, with the intention that the residential delivered on Stratford Waterfront will help to cross-subsidise the East Bank project. Outline planning permission was granted in July 2019 and the developer procurement concluded in 2022 (Ballymore were appointed). Since then, the joint venture has formed (Stratford East London Partners LLP) and secured Reserved Matters planning for the Stratford Waterfront site in June 2024. This site, along with Bridgewater Triangle (part of Pudding Mill Lane) is being delivered by the joint venture, in which LLDC is an equity investor using funds borrowed from the GLA.

Alongside Bridgewater, LLDC has prepared a detailed mixed-use masterplan for the site at **Pudding Mill Lane**, which will provide new homes, later living accommodation, employment space, retail, a nursery, medical centre, pharmacy and community uses, alongside new public spaces. The masterplan envisages c.950 homes across a range of unit types and tenures targeting up to 45% affordable housing by habitable room in a mix of Social Rent, London Living Rent and Shared Ownership. Outline planning application approved by the Planning Decisions Committee in October 2022 and the procurement for a joint venture partner is almost complete.

LLDC has completed the procurement for a developer at **Rick Roberts Way**, which has an obligation to deliver the balance of the portfolio affordable housing on the site. The site is subject to a planning obligation as part of the Stratford Waterfront scheme to help LLDC provide a portfolio approach of 50% affordable housing.

Development

Mayoral priorities: Affordable housing

Development expenditure contained within the Capital Investment Plan includes the cost of discharging LLDC's Section 106 obligations under the LCS planning consent. It also covers the significant investment required in necessary infrastructure to deliver the housing developments – for example, roads and bridges.

London Stadium

Mayoral priorities: London's economy and Environment

LLDC owns the freehold to the London Stadium and leases it to E20 Stadium LLP (currently a subsidiary of LLDC) on a long lease (until 2115).

LLDC's previous capital budget for the Stadium mainly includes funding for lifecycle and improvement works (such as spend to save and energy efficiency projects).

This will transfer to the GLA from 1 April 2025.

8. Capital Funding

- 8.1. Funding for LLDC's capital programme was previously on the basis that capital investment would be self-financing over the long term, repaid from capital receipts generated from the exploitation of LLDC's ownership of development platforms on and around the Park, ultimately generating a surplus to be paid to the GLA.
- 8.2. LLDC's capital investment falls within, and needs to comply with, the CIPFA 'Prudential Code for Capital Finance in Local Authorities' (the Code). Under the Code local authorities (including LLDC) have greater discretion over the funding of capital expenditure especially with the freedom to determine, within the regulatory framework of the Code, the level of borrowing they wish to undertake to deliver capital plans and programmes.
- 8.3. However, the GLA is providing significant levels of capital grant funding to ensure LLDC's level of borrowings remain prudent and to directly fund part of the East Bank project.
- 8.4. This means that whilst LLDC's LTM generates a long-term capital 'surplus', this is reliant upon the recycling of land receipts into funding from the GLA, which, ultimately, will only be provided by the GLA to enable LLDC to achieve an overall capital breakeven position.
- 8.5. LLDC's third-party funding sources include:
 - Capital receipts from the sale of land and property
 - Partner contributions
 - Philanthropic donations to East Bank
 - Section 106 and Community Infrastructure Levy (as developer)
- 8.6. From 2025/26, LLDC's budget also includes Brownfield, Infrastructure and Land (BIL) funding from Homes England, towards the cost of infrastructure at LLDC's Bridgewater Triangle site. LLDC is also in discussions with Homes England for further funding at its other sites, including at Stratford Waterfront.
- 8.7. LLDC regularly reviews its capital receipt assumptions and 'stress-tests' these in particular circumstances. LLDC regularly shares the outputs of such exercises with its funded, the GLA, to ensure the sensitivity and risks associated with LLDC's capital receipt assumptions are clearly understood, particularly in circumstances

where these receipts are subject to third party and/or market performance. When and where appropriate, LLDC also considers exit plans for key contractors.

8.8. LLDC’s Capital Funding Plan can be seen at Appendix 2.

9. Ambition Gap

9.1. As set out in Section 8, LLDC’s capital plan breaks even over time. The breakeven point falls outside of the 20-year timeline in the Capital Investment Plan; the difference between the Capital Investment Plan and the Capital Funding Plan is met through borrowings from the GLA.

10. Risk

10.1. The key risks to LLDC’s Capital Investment Plan are set out in the following table along with how they are to be managed.

Risk	Mitigation
Housing market under-performance against expectations	Close working with development partners and monitoring of housing market conditions, including inputs from third parties (e.g. property consultants)
Impact of macroeconomic conditions on demand for housing, cost of building or industry capacity and other supply chain issues	Close work with development partners, close economic and financial monitoring, including of potential supply chain issues.
Lack of progress towards Mayor’s 2030 Net Zero Carbon target	Close working and engagement with the GLA’s Climate Budget Working Group and Environmental Implementation Group (chaired by the Deputy Mayor for Environment and Energy). Production of annual Climate Budget and development of LLDC’s Climate Action Strategy.
East Bank does not deliver within current budget or delays to the East Bank project resulting in financial implications	Effective design management and coordination. Cost control. Close work with Mace, the Project Management Partner, Arcadis, who provide commercial assurance on the project, East Bank partners, GLA and Government. ‘Three lines of defence’ assurance approach.

11. Appraisal

11.1. Capital proposals are developed, appraised and monitored as follows:

- **LLDC Board:** Review and approval of all capital investment decisions above £20.0m; annual review and approval of the LLDC Capital Budget before submission to the GLA.
- **LLDC Investment Committee:** Review and approval of all capital investment decisions between £10.0m and £20.0m; review of quarterly Corporate Management Accounts, which includes year-to-date capital expenditure versus budget and forecast outturn for the financial year; annual review and recommendation of the LLDC Capital Budget for Board approval before submission to the GLA.
- **Executive Management Team:** Review and approval of all capital investment decisions between £0.25m and £10.0m⁷; annual review of the LLDC Capital Budget prior to submission to the Investment Committee and Board (see above); review of monthly Corporate Management Accounts and other business updates that have an impact upon capital income or expenditure.
- **Corporate Change Board:** The forum in which formal requests (e.g. from project managers or budget holders) to modify the schedule, budget and/or scope of an existing project or to add a new project into a programme is approved and/or reported for noting. The Board's membership includes Executive Directors and Directors and is chaired by the LLDC Finance Director.
- **Project Boards:** For major projects such as East Bank there are project boards with responsibility for oversight of project delivery, risk, programme and budget.
- **Senior Budget Holders:** Each directorate has a senior responsible officer for their budget with delegated budget holders beneath them. Senior responsible officers have budgetary responsibility within their job descriptions and their annual personal objectives. Senior responsible officers are responsible for sponsoring any capital investment appraisal that relates to, and originates from, their directorate.
- **Project/Delivery Manager:** Each capital project will have an assigned project manager or lead whose responsibility it is to put forward capital investment proposals, see these through the necessary governance process, monitor and manage risk and budgets and, overall, secure successful delivery of the project. LLDC will often commission external project management services; however, in these instances, there must always be an identified individual within LLDC, at both a senior and operational level, with responsibility for the oversight of the external project manager.

⁷ The Executive Management Team will review all capital investment decisions above £10m prior to their submission to Investment Committee or Board

12. Capital Strategy – Delivery, Affordability and Risk

- 12.1. Within the Prudential Code it is the responsibility of the Chief Finance Officer (currently the Deputy Chief Executive at LLDC) to explicitly report on the delivery, affordability and the risks associated with this Strategy. This is set out in the following paragraphs.

Delivery

- 12.2. The delivery of the individual schemes in LLDC's Capital Investment Plan⁸ are set out in the original approval of the capital project supported by each project having a senior responsible officer and a project manager who are responsible for the delivery of the project and the subsequent achievement of the objectives of that project.
- 12.3. LLDC's Executive Management Team receive regular updates on capital budgets. These updates are driven by the requirement of internal and external financial reporting (e.g. quarterly budget monitoring reports), however in doing so the Executive Management Team can review and challenge the delivery of projects and any changes to both the timing and value of the Capital Investment Plan. There is also regular reporting on all major projects, and updates to the Housing Delivery Plan, both to the LLDC Executive Management Team and LLDC Board.
- 12.4. If, subsequent to a capital scheme being authorised, there are variations to the income expected to be generated from that project, or the cost of delivering the project, these will be brought to the Corporate Change Board (as appropriate) or Project Board and reported as a variance in monthly budget reporting (Corporate Management Accounts) and, if ongoing, will be included in the following year's budget proposals, which are reviewed by LLDC's Investment Committee and Board.
- 12.5. LLDC's Executive Management Team has ultimate responsibility for the oversight of delivery of the Capital Investment Plan.

Affordability

- 12.6. Affordability is critical in applying the Capital Strategy and approving projects for inclusion in the Capital Investment Plan.
- 12.7. This is demonstrated by the relevant project approval document (e.g. business case) identifying the income, expenditure and funding, appraisal of alternative options and the risks for any given project.
- 12.8. Affordability of each project needs to be clear, not only for the funding of the capital spend, but also to cover any ongoing revenue costs of the capital investment (e.g. maintenance costs).

⁸ Regarded as LLDC's Long Term Model for operational purposes

Risks

- 12.9. The risks associated with capital investment should be made clear in any proposal, including how these risks will be mitigated (e.g. adequate project management and/or project boards, suitable skills for the delivery of the project, tax planning). Where relevant a full Quantitative Risk Assessment should be undertaken on the project and used to identify, quantify and manage risk over the lifetime of the project.
- 12.10. There are links between the Capital Strategy and the Treasury Management Strategy, prudential indicators, authorised borrowing limits and the revenue budget. These are also subject to review and oversight by the Executive Management Team, Audit Committee (for the Treasury Management Strategy), Investment Committee and Board.
- 12.11. Borrowing limits are agreed with the GLA on an annual basis and all major projects are discussed with the GLA (and Mayoral approval sought as necessary).

13. Appendices

- Appendix 1 – Capital Investment Plan (note that the tables are subject to final agreement with the GLA)
- Appendix 2 – Capital Funding Plan (note that the tables are subject to final agreement with the GLA)

Appendix 1 – Capital Investment Plan

		Capital Spending Plan						
		Years		1	2	3	4	5
Table 1		2023-24	2024-25	2024-25	2025-26	2026-27	2027-28	2028-29
Item	Further information	Outturn £m	Revised Budget £m	Forecast Outturn £m	Plan £m	Plan £m	Plan £m	Plan £m
East Bank		140.8	53.6	93.0	14.9	1.1	0.8	0.1
Development	Incl infrastructure costs (required under S106 obligations) and equity for JV developments	12.7	35.8	24.2	40.3	35.4	28.5	20.1
Stadium	Includes lifecycle costs and other capital investment	4.3	9.0	9.0	0.0	0.0	0.0	0.0
Park and Venues	Includes Park and venue lifecycle costs	7.2	5.7	8.0	4.6	1.7	1.9	1.7
Regeneration		0.1	0.0	0.0	0.0	0.0	0.0	0.0
Finance, Commercial and Corporate Services	Includes ICT and East Bank assurance costs	1.7	2.1	1.7	0.7	0.3	0.2	0.2
Commercial Strategy		0.0	6.6	7.6	0.5	0.0	0.0	0.0
Corporation Tax and Contingency	Incurrred on capital receipts and income	5.2	10.3	6.4	5.4	9.6	8.8	6.8
Other	Includes a cash versus accruals adjustments	11.0	-9.7	-9.7	0.0	0.0	0.0	0.0
BBC/UAL Loan Cash Adjustment	Adjustment for BBC/UAL loan	9.1	39.5	-1.5	36.8	-5.0	-5.0	-5.0
Total		192.1	152.9	138.7	103.2	43.1	35.2	23.9

		Capital Strategy		
		6 to 10	11 to 15	16 to 20
Table 1		2029-30 to 2033-34	2034-35 to 2038-39	2039-40 to 2043-44
Item	Further information	Plan £m	Plan £m	Plan £m
East Bank		0.5	0.0	0.0
Development	Incl infrastructure costs (required under S106 obligations) and equity for JV developments	26.8	0.2	0.0
Stadium	Includes lifecycle costs and other capital investment	0.0	0.0	0.0
Park and Venues	Includes Park and venue lifecycle costs	11.3	15.2	10.6
Regeneration		0.0	0.0	0.0
Finance, Commercial and Corporate Services	Includes ICT and East Bank assurance costs	1.2	0.7	0.1
Commercial Strategy		0.0	0.0	0.0
Corporation Tax and Contingency	Incurrred on capital receipts and income	42.5	6.5	5.0
Other	Includes a cash versus accruals adjustments	0.0	0.0	0.0
BBC/UAL Loan Cash Adjustment	Adjustment for BBC/UAL loan	-24.9	-24.9	-23.9
Total		57.4	-2.3	-8.2

Appendix 2 – Capital Funding Plan

Capital Funding Plan Table 2		Capital Spending Plan						
		Years		1	2	3	4	5
		2023-24	2024-25	2024-25	2025-26	2026-27	2027-28	2028-29
Item	Further information	Outturn £m	Revised Budget £m	Forecast Outturn £m	Plan £m	Plan £m	Plan £m	Plan £m
Capital Receipts		1.9	19.6	21.2	38.0	24.5	40.8	50.0
GLA Grant		89.0	54.7	84.7	22.2	24.4	0.0	5.7
East Bank		25.8	42.7	4.6	48.2	0.0	0.0	0.0
Other (incl Section 106/CIL)	Includes contributions towards projects (e.g. Section 106)	1.2	9.6	5.4	4.6	2.4	1.4	1.0
Borrowing	GLA borrowings / Repayment of GLA borrowings	65.1	-13.3	24.3	-46.6	-3.3	-1.9	-27.7
Borrowing	Adjustment for BBC/UAL loan	9.1	39.5	-1.5	36.8	-5.0	-5.0	-5.0
	Sub-total							
	Capital Receipts	1.9	19.6	21.2	38.0	24.5	40.8	50.0
	Capital Grants & Third Party Contributions	27.0	52.3	10.0	52.8	2.4	1.4	1.0
	Borrowing	74.2	26.2	22.8	-9.8	-8.3	-6.9	-32.7
	Revenue Contributions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GLA Grant	89.0	54.7	84.7	22.2	24.4	0.0	5.7
		192.1	152.9	138.7	103.2	43.1	35.2	23.9

Capital Funding Plan Table 2		Capital Strategy		
		Years		
		6 to 10	11 to 15	16 to 20
Item	Further information	2029-30 to 2033-34	2034-35 to 2038-39	2039-40 to 2043-44
		Plan £m	Plan £m	Plan £m
Capital Receipts		282.0	10.8	9.1
GLA Grant		11.6	16.1	0.0
East Bank		0.0	0.0	16.2
Other (incl Section 106/CIL)	Includes contributions towards projects (e.g. Section 106)	4.2	0.0	0.0
Borrowing	GLA borrowings / Repayment of GLA borrowings	-215.5	-4.3	-9.6
Borrowing	Adjustment for BBC/UAL loan	-24.9	-24.9	-23.9
	Sub-total			
	Capital Receipts	282.0	10.8	9.1
	Capital Grants & Third Party Contributions	4.2	0.0	16.2
	Borrowing	-240.4	-29.2	-33.5
	Revenue Contributions	0.0	0.0	0.0
	GLA Grant	11.6	16.1	0.0
		57.4	-2.3	-8.2

Note that the adjustment for BBC/UAL loan rows include the repayment of the loans by the respective parties

Appendix 4 – TABLE A: Existing climate measures included in budget

Items A1 to A8 – Part 1

Organisation	ID	Climate Action Area	Climate Action	Description	Funding source	Year funding starts	Year funding ends	Lifetime cumulative CO2e savings (tonnes)	Year emissions savings start	Average annual CO2e savings to 2030 (tonnes)	Co-benefits
LLDC	A1	Infrastructure	Other	Asset and estate/ highway adoptions - roads, pavements, hard standings.	GLA	2025/2026	2025/2026	Enabler	Enabler	Enabler	Reduced costs to LLDC. Improved quality and standard of infrastructure.
LLDC	A2	Buildings	Buildings - retrofit	Study and design work for the repurposing of Old Ford waste water plant for use as a commercial space for operations at QEOP.	GLA	2025/2026	2025/2026	Enabler	Enabler	Enabler	Exemplar building to showcase low carbon retrofit.
LLDC	A3	Infrastructure	Other	New E48 bridge to be delivered across the Waterworks River at Bridgewater Triangle; alongside associated embankment works- inclusive of biodiverse planting- and the reopening of the canal towpath.	GLA	2024/2025	2028/2029	Enabler	Enabler	Enabler	Improved connectivity; new pedestrian and cycling routes; new planting; fire tender access across the bridge
LLDC	A4	Estate	Other	Marshgate Lane Connectivity Project	GLA	2024/2025	2025/2026	Enabler	Enabler	Enabler	Improved connectivity and air quality
LLDC	A5	Estate	Other	Pool Street (S106/CIL) - connectivity project	Section 106/ Community Infrastructure Levy	2024/2025	2028/2029	Enabler	Enabler	Enabler	Improved connectivity and air quality
LLDC	A6	Estate	Buildings - energy efficiency	Study including an estate and buildings audit to identify additional building and estate decarbonisation opportunities.	GLA	2025/2026	2025/2026	Enabler	2026/2027	Enabler	Local employment opportunities. Cost reductions.
LLDC	A7	Estate	Climate resilience	Study to identify additional building and estate climate adaptation and resilience opportunities.	GLA	2025/2026	2025/2026	Adaptation	Adaptation	Adaptation	Improved understanding of climate risks and opportunities across the organisation and local stakeholders.
LLDC	A8	Infrastructure	Climate resilience	East Bank - Wind Mitigation Measures (fees and construction))	Section 106 payments	2024/2025	2031/2032	Enabler	2025/2027	Enabler	Improved safety and comfort for pedestrians.

Items A1 to A8 – Part 2

Organisation	ID	Climate Action Area	Climate Action	Description	Total expenditure 2025/26 £000	Total project cost £000	Capital/ Revenue/Mixed	Total cash savings 2025/26 £000	Total cash savings £000
LLDC	A1	Infrastructure	Other	Asset and estate/ highway adoptions - roads, pavements, hard standings.	20	20	Revenue	Enabler	Enabler
LLDC	A2	Buildings	Buildings - retrofit	Study and design work for the repurposing of Old Ford waste water plant for use as a commercial space for operations at QEOP.	7	7	Revenue	Enabler	Enabler
LLDC	A3	Infrastructure	Other	New E48 bridge to be delivered across the Waterworks River at Bridgewater Triangle; alongside associated embankment works- inclusive of biodiverse planting- and the reopening of the canal towpath.	11,553	22,784	Revenue	Enabler	Enabler
LLDC	A4	Estate	Other	Marshgate Lane Connectivity Project	315	365	Capital	Enabler	Enabler
LLDC	A5	Estate	Other	Pool Street (S106/CIL) - connectivity project	1,375	4,743	Capital	Enabler	Enabler
LLDC	A6	Estate	Buildings - energy efficiency	Study including an estate and buildings audit to identify additional building and estate decarbonisation opportunities.	40	40	Capital	n/a	n/a
LLDC	A7	Estate	Climate resilience	Study to identify additional building and estate climate adaptation and resilience opportunities.	40	40	Capital	n/a	n/a
LLDC	A8	Infrastructure	Climate resilience	East Bank - Wind Mitigation Measures (fees and construction))	39	100,000	Capital/Revenue/ Mixed	n/a	n/a

Appendix 5 – TABLE B: Unfunded climate measures required to facilitate net zero 2030 target

Items B1 to B5 – Part 1

Organisation	ID	Climate Action Area	Climate Action	Description	Funding source	Year funding starts	Year funding ends	Lifetime cumulative CO2e savings (tonnes)	Year emissions savings start	Average annual CO2e savings to 2030 (tonnes)	Co-benefits
LLDC	LLDC-B1	Estate	Buildings - renewable energy	Power Purchase Agreement	GLA	2026/2027	2030/2031	45,880	26/27	2,294	Price stability, energy security, wider sector skills development
LLDC	LLDC-B2	Estate	Buildings - retrofit	Development work for the repurposing of Old Ford waste water plant for use as a commercial space for operations at QEOP.	Unidentified	2026/2027	2027/2028	2,500	2027/2028	100	Exemplar building to showcase low carbon retrofit.
London Stadium	LS-25/26_B1	Infrastructure	Water efficiency	Irrigation data loggers and sub-metering at various locations.	Unidentified	2025/2026	2025/2026	Adaptation	Adaptation	Adaptation	Price stability, energy security, wider sector skills development
London Stadium	LS-25/26_B2	Infrastructure	Water efficiency	Rainwater harvesting survey to review rainwater harvesting opportunities	Unidentified	2025/2026	2025/2026	Adaptation	Adaptation	Adaptation	Price stability, energy security, wider sector skills development
London Stadium	LS-25/26_B3	Other	Other	Convert remaining petrol lawn mowers to electric	Unidentified	2025/2026	2025/2026	130	2025/2026	13	User health, reduced noise, reduced emissions to air, lower cost
London Stadium	LS-25/26_B4	Infrastructure	Buildings - energy efficiency	Stadium island outer halo halogen lighting lifecycle replacement.	Unidentified	2025/2026	2025/2026	735	2026/2027	49	Reduced costs
London Stadium	LS-25/26_B5	Buildings	Buildings - energy efficiency	HVAC Refrigerant leak inspection	Unidentified	2025/2026	2025/2026	1,200	2026/2027	80	

Items B1 to B5 – Part 2

Organisation	ID	Climate Action Area	Climate Action	Description	Proposed Expenditure 2025/26 £000	Total Proposed Expenditure £000	Capital/ Revenue/ Mixed	Proposed cash savings per annum £000	Total Proposed cash savings £000	Grant and/or Debt funding	Readiness
LLDC	LLDC-B1	Estate	Buildings - renewable energy	Power Purchase Agreement	0	6,450	Revenue	n/a	n/a	n/a	2-3 years
LLDC	LLDC-B2	Estate	Buildings - retrofit	Development work for the repurposing of Old Ford waste water plant for use as a commercial space for operations at QEOP.	100	10,000	Capital/Revenue/ Mixed	n/a	n/a	n/a	2-3 years
London Stadium	LS-25/26_B1	Infrastructure	Water efficiency	Irrigation data loggers and sub-metering at various locations.	20	Adaptation	Capital	0	0	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B2	Infrastructure	Water efficiency	Rainwater harvesting survey to review rainwater harvesting opportunities	20	Adaptation	Revenue	0	0	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B3	Other	Other	Convert remaining petrol lawn mowers to electric	20	20	Capital	0	0	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B4	Infrastructure	Buildings - energy efficiency	Stadium island outer halo halogen lighting lifecycle replacement.	100	500	Capital	47	705	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B5	Buildings	Buildings - energy efficiency	HVAC Refrigerant leak inspection	45	45	Revenue	n/a	n/a	Grant &/ or Debt	1-2 years

Items B6 to B10 – Part 1

Organisation	ID	Climate Action Area	Climate Action	Description	Funding source	Year funding starts	Year funding ends	Lifetime cumulative CO2e savings (tonnes)	Year emissions savings start	Average annual CO2e savings to 2030 (tonnes)	Co-benefits
London Stadium	LS-25/26_B6	Buildings	Buildings - energy efficiency	HVAC tuning	Unidentified	2025/2026	2025/2026	105	2025/2026	7	
London Stadium	LS-25/26_B7	Buildings	Buildings - energy efficiency	Kiosk and TV automated electrical equipment controls - phase 2 of works	Unidentified	2025/2026	2025/2026	50	2025/2026	5	n/a
London Stadium	LS-25/26_B8	Infrastructure	Buildings - energy efficiency	LED grow lights for pitch area at London Stadium. Replacement of existing lighting with higher efficiency lighting.	Unidentified	2025/2026	2025/2026	336	2025/2026	16	n/a
London Stadium	LS-25/26_B9	Estate	Buildings - renewable energy	Solar PV installation at Bridge 4	Unidentified	2025/2026	2025/2026	100	2025/2026	5	n/a
London Stadium	LS-25/26_B10	Estate	Electricity - upgrade capacity	Installation of grid power at Stadium Island mobile catering locations to remove the need for caterers to bring diesel generators to the site.	Unidentified	2025/2026	2025/2026	Enabler	2025/2026	Enabler	Improved local air quality and visitor experience. Industry communications in relation to sustainable energy.

Items B6 to B10 – Part 2

Organisation	ID	Climate Action Area	Climate Action	Description	Proposed Expenditure 2025/26 £000	Total Proposed Expenditure £000	Capital/ Revenue/ Mixed	Proposed cash savings per annum £000	Total Proposed cash savings £000	Grant and/or Debt funding	Readiness
London Stadium	LS-25/26_B6	Buildings	Buildings - energy efficiency	HVAC tuning	45	45	Revenue	tbc	tbc	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B7	Buildings	Buildings - energy efficiency	Kiosk and TV automated electrical equipment controls - phase 2 of works	100	100	Capital	60	900	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B8	Infrastructure	Buildings - energy efficiency	LED grow lights for pitch area at London Stadium. Replacement of existing lighting with higher efficiency lighting.	1,500	213,000	Capital/Revenue/ Mixed	65	975	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B9	Estate	Buildings - renewable energy	Solar PV installation at Bridge 4	115	115	Capital	36	720	Grant &/ or Debt	1-2 years
London Stadium	LS-25/26_B10	Estate	Electricity - upgrade capacity	Installation of grid power at Stadium Island mobile catering locations to remove the need for caterers to bring diesel generators to the site.	500	500	Capital	n/a	n/a	Grant &/ or Debt	1-2 years

Appendix 6 – TABLE C: funded climate actions in the 2025/26 budget that deliver or enable emission reductions or adaptation measures in parts of London outside of LLDC’s own estate and fleet

Items C1

ID	Climate Action Area	Climate Action	Description	Funding source	Year funding starts	Year funding ends	Lifetime cumulative CO2e savings, tonnes	Confidence rating (CO2e savings calculation or estimation)	Year emissions savings start	Average annual CO2e savings to 2030, tonnes	Co-benefits	Total Expenditure 2025/26 £'000	Total Project Cost £'000	Capital/ Revenue/ Mixed	Total cash savings 2025/26 £'000	Total Project cash savings £'000
LLDC - 25/26_C1	Infrastructure	Rail/tube retrofit/up grades	Stratford Station Preferred Concept - Expenditure. Business case development to improve Stratford station	GLA	2024/2025	2025/2026	Enabler	Enabler	Enabler	Enabler	Improved connectivity through public transport. More practical access and movement around and through the station. Increased usage of public transport	1,738	3,094	Revenue	Enabler	Enabler