

## **16th Board Meeting: 28 June 2007**

Sir Roy McNulty (Acting Chairman), Lorraine Baldry, Tony Ball, Barry Camfield, Neale Coleman, Stephen Duckworth, Christopher Garnett, Baroness Sally Morgan, Sir Nicholas Serota, David Taylor

### **Apologies**

Apologies were received from Sir Howard Bernstein, Sir Peter Mason, and Kumar Muthalgappan who were unable to attend the meeting .

### **Declarations of Interest**

Neale Coleman declared an interest as an employee of the GLA, of which the LDA is a separate functional body.

### **Minutes of Previous Meeting & Actions Arising**

The Board agreed the Minutes and reviewed the various recorded Actions Arising since February 2007 and, in particular, that the initial analysis of data about recruitment had been completed and further work commissioned.

### **Chairman's Report**

The Board noted that Tessa Jowell had been appointed as Minister for the Olympics, London and the South East reporting to the Prime Minister and attending Cabinet, and also that the Government Olympic Executive would continue to be based in DCMS with the Permanent Secretary as Accounting Officer.

As recommended, Sir Roy would be circulating to Members a document outlining the different roles of the Chairman and the Chief Executive, which he had discussed with the Chairman designate and the Chief Executive.

Sir Roy would arrange to give feedback to any Board Members who wished, following the informal assessment of performance which the Chairman was required to undertake.

*David Taylor joined the meeting during the following item*

### **Chief Executive's Report**

The Chief Executive drew attention to a number of points:

**IBC/MPC** Members had been briefed in the morning workshop about the emerging offers on which the Board would need to reach decisions.

**Aquatics Centre** The project was being reviewed to plan for the inclusion of leisure water as a community Legacy without compromising the ZHA design. Proposals needed to take account of the views of all stakeholders and were being discussed with Newham and Tower Hamlets Borough Councils.

**Stadium** A non-binding Memorandum of Understanding had been signed and RIBA Stage C had started in early June. The binding MOU would be signed in the next few weeks and a public announcement made.

**Velodrome** A model of the winning bid was displayed and the Board noted that the design selected by the competition jury had scored well in other respects. The design team had shown an excellent understanding of the sport and had ideas to improve the legacy scheme.

**IOC visit** The IOC visit had resulted in a very supportive report. The Board congratulated the Chief Executive and the team and asked that their congratulations be passed to LOCOG.

**Direct labour** It was hoped that agreement would soon be reached with the Unions. The numbers employed on site would be reported to the Board regularly with a break-down of those directly employed and self-employed.

The Board noted that the presentation on **Design and Construction Health, Safety and Environmental Standard** given to environmental stakeholders could usefully be given to others including the construction Unions and the TUC.

It was agreed that there should be a monthly report on **Health and safety** as well as the more detailed quarterly report, and that consideration should be given to how the issue of health and safety could best be addressed by the Board.

**Security** The comments by a member of the Metropolitan Police had been taken out of context, but the points raised were being addressed with stakeholders.

**Utility Diversions** The Board noted that it was proposed to avoid diverting the 42 inch Thames Water strategic main and approved the business case for submission to the Olympic Programme Review Group.

**Corporate Plan** The Board approved the revised Corporate Plan. They noted that the plan would be submitted to the Olympic Board and that a summary version, taking account of their comments, would be published.

### **Finance Report**

Information had been provided by the Delivery Partner recording progress in a new format, which would become increasingly useful as the Programme entered the construction phase. A revised cash-flow budget for the current financial year would be brought to the July Board and DCMS were being kept informed about current expectations.

The Board noted that the Powerlines tunnelling had been completed on schedule and to budget and that Enabling works would not start in earnest until after vacant possession in July.

Discussions with Government were in progress about the use of part of the contingency and a review of all projects had been commissioned to determine the risk appetite of all those involved. The existing Bid commitments and the constraints of the site would have to be fully taken into account.

### **Audit Committee**

The working of systems and processes would be considered at the July Board Awayday.

### **Risk Committee**

Revised Terms of Reference with a general remit would allow the Committee to consider risks arising from the working of the ODA as an organisation, such as pressure of workload.

### **Remuneration Committee**

DCMS had approved the senior staff remit.

### **Communications Committee**

Board Members were keen to be updated regularly about Communications and particularly about the development of stakeholder relations.

### **Planning Committee**

The Board asked the Audit Committee to review the ODA's guidance about the handling of conflicts of interest by the Planning Committee to ensure that there was a clear line where a connection might be perceived as creating a potential conflict of interest.

### **Legacy and Regeneration Committee**

The Board approved in principle the initial Terms of Reference which had been drafted to emphasise the role of ODA in relation to the physical legacy. They also covered its work with the Olympic Board and others on the less tangible legacy, such as developing skills and employment opportunities, as well as the broader national objectives. It was suggested that the Committee should meet quarterly to take an overview of progress on behalf of the Board. Full Standing Orders would be brought forward in the Autumn, including the proposed membership.

The Board also approved Minutes of the various Committees.

### **Annual Report and Accounts**

The Board were asked for comments on the Annual report and accounts, which had been revised following consideration by the Audit Committee. They noted that the documents met the requirements of the NAO.

The Chairman and Chief Executive were authorised to approve and sign the final version of the Annual Report, which would be laid before Parliament on 18 July. Copies would be sent to stakeholders. Remediation work would be starting on site at the same time.

### **Vacant Possession Update**

The Board heard a presentation about vacant possession of the Olympic Park site. The CPO would come into force on 2 July. LDA would obtain vacant possession over the following two weeks and hand the site over to ODA by 13 July. The process had involved acquiring some 2,500 legal rights and 4 court cases had all been won. A few occupants were being allowed to remain on site for a short time. For example, the allotment holders would be permitted limited access until they were able to harvest this year's crop in the autumn; KICC would move in early September after their annual festival at the end of August; planning permission had been granted for the new travellers' site and they would relocate in mid August. The relocations to Temple Mills would not take place until July 2008 but this would not affect the programme's critical path. However, LDA were ready to evict occupants where this proved necessary. All roads would be closed to the public from 2 July with access only for those on the site until 10 July. After 13 July all access would be controlled by gates and security guards with Tier 1 contractors responsible for ensuring that security was cascaded to sub-contractors.

The completion of the handover would be marked on 27 July with 5 years to go to the Games. Leaflets were being circulated to all residents within a 2.5 mile radius of the site and a 24 hour telephone hotline was in operation.

The Board thanked the LDA Director of Development – Olympics and the LDA Land Team

### **Equality and Diversity Strategy**

The Equality and Diversity Strategy had been revised following public consultation. It was now proposed to develop numerical targets for successful outcomes based on actions agreed with contractors. The Board, however, endorsed the original decision to concentrate on the statutory areas of race, gender, and disability, where ODA would be most able to have an impact. (A Disability Scheme must be published by December 2007.)

The Board considered that ODA's legacy must include changed practices in the construction industry, though they recognised that ODA's role would be an indirect one. In that context they noted that ODA was working with LDA, the 5 Borough partnership, and others to focus on developing construction skills for women and local people. They were particularly concerned that the employment opportunities for local Black, Asian and Minority Ethnic workers in the construction industry should be maximised.

It was also important to identify the training needs of local unemployed people (eg construction skills, presentational skills) and also to match suitable candidates with jobs. The Powerlines project had been very successful in this respect and the use of equality monitoring was seen as the most powerful means of persuading contractors to comply with ODA policies.

The next stage was to develop a Delivery Plan, which would take some months. The Board noted that staff were being recruited but were keen that the strategy should be applied rapidly within ODA, including the Delivery Partner, as well as externally. They approved the strategy and asked to be updated about progress in implementing it at their July meeting.

### **Stadium Project – Lessons Learned**

The Board noted the lessons arising from the early contract procurement work including the Olympic Stadium, Utilities, Infrastructure and other Venue procurement processes and the actions already or to be put in place to minimise the incidence and/or impact of single tenderer/bidder procurements.

Industry days and workshops had generally been helpful in stimulating interest in the industry about the various procurement opportunities. However, the Board recognised that in such a buoyant market it would remain difficult to attract contractors for venues which were not standard building types, particularly where the brief was being developed.

### **Planning Application Update**

The Board were updated by the Head of Development Control about the ODA planning applications for the Olympic Park. A 'Chinese wall' was in operation to ensure the independence of the planning process: the Head of Development Control reported to the Chief Executive whilst the Director of Design and Regeneration, who was responsible for the Promoter team, reported for this purpose to the Director of Finance and Corporate Services. The relevant ODA/LDA Programme Board was chaired by the Chief Executive of the LDA. The procedure, which had been in operation throughout the negotiations, had been set out in a protocol, which the Board would be asked to approve formally at its meeting in July. A similar separation of duties applied in GLA.

A second round of consultation had been completed following the submission of additional information by ODA as promoter. The results were now being analysed in preparation for reporting to the Planning Committee.

The draft report would be shown to the ODA promoter and to the Boroughs on 11 July, go to print on 25 July, and be made public at the beginning of August. This would allow considerably more time than the statutory period of 5 days for the public to study the report before the Committee meeting on 14 August. If permission were granted the Planning Decisions Team aimed to be in a position to sign a S106 Agreement and to issue any planning consents immediately once the applications had been referred to and considered by the GLA and the Secretary of State.

There had been some 500 responses of which nearly 400 were from individuals. Just over 50% of the letters of objection related to the Eastway Cycle circuit proposals. In this connection the LDA was considering whether the use of the cycling facilities to be provided at Hog Hill could be continued after the Games. Recently a campaign had also been started to save a Victorian industrial building at King's Yard. The Planning Committee would need to address the concerns expressed. The principal concerns were about: the quantity and quality of Metropolitan Open Land; Bridges and Connectivity around and across the Park for legacy use; construction management; access and equality; legacy; IBC/MPC; waste management strategy; waterspace strategy; flood risk assessment; and telecoms masts. There were a number of points on which the Head of Development Control was leading discussions but she considered that the issues raised by stakeholders could be met by the imposition of conditions or through a S106 Agreement signed with the LDA as the landowner.

#### **Any Other Business**

David Higgins reported that he had been invited to meet the Task Force established by the Conservative Party and might invite them to visit the Olympic Park in order to understand the programme.