

Minutes of 13th Board Meeting: 22 March 2007

Sir Roy McNulty (Acting Chairman), Lorraine Baldry, Tony Ball, Barry Camfield, Neale Coleman, Stephen Duckworth, Christopher Garnett, Baroness Sally Morgan (by telephone to item 12), Sir Peter Mason, Kumar Muthalgappan, Sir Nicholas Serota, David Taylor

Apologies

Apologies were received from Sir Howard Bernstein.

Declarations of Interest

Neale Coleman requested that the Chair and the Board Members note on his part a formal declaration of interest by reason of his employment by the GLA of which TfL and the LDA are separate functional bodies.

Sir Peter Mason declared an interest as Chairman of Thames Water.

Minutes of Previous Meeting & Actions Arising

The Board agreed the Minutes and noted that:

- a group of interested Board Members would be convened to discuss the design concept for the stadium in April
- a meeting was being arranged with the Trade Unions to discuss the issue of direct labour
- the Chairman had agreed the final version of the business plan for 2007-08 and the Board's comments had been taken into account.

Chairman's Report

The Chairman reported that following discussion at the Awayday a further version of the summary of Key Strategic issues would be presented to the Board in April before being finalised in May or June.

The Director of Communications would be developing the draft document entitled 'Clear Vision' in consultation with the Executive and a representative group of staff.

Chief Executive's Report

The Chief Executive drew attention to the following points in particular:

Town Planning The local Borough Councils had expressed some concerns about the planning applications. Many of these related to issues of legacy use and would be addressed in the future LDA planning application. The Board asked for further information on these points.

Following analysis of the consultation responses, the Head of Development Control would send a Regulation 19 letter to ODA requiring the submission of further information, as is standard practice on major planning applications. Members were reminded that, in addition to the statutory consultation which had followed the submission of the applications, ODA acting as applicant, had carried out substantial consultation in 2006. Local people would also be consulted as each of the reserved matters was submitted for approval.

The Chief Executive explained the protocols for establishing 'Chinese walls' and ensuring that the Planning Decisions team was isolated from other ODA staff. Legal advice had been requested to confirm these were appropriate.

Legacy ODA were discussing with LDA the resources needed and agreeing the process leading to the submission of LDA's legacy application in 2008. There would probably be a public statement outlining the timetable before the current applications went to the Planning Committee.

Following a presentation about Legacy at the Board Awayday the Board agreed in principle that a Legacy and Regeneration Committee should be established. They requested an overview of the ODA's legacy proposals and a paper at the April Board meeting with an update of the planned Stakeholder group meeting.

Aquatics Stage D work must begin in May 2007 and ODA was discussing funding for the Leisure Water.

Stadium The first concept design would be completed by the end of March and RIBA Stage D should be reached by December 2007. Ideas for an educational use in legacy were progressing.

Olympic Village A Memorandum of Understanding had been signed with Lend Lease with the intention of signing the contract by the end of May. The design of the Stratford City residential accommodation was being revised within the terms of the original planning consent to accommodate revised densities.

Discussions with Westfield were continuing. The shopping centre was now timetabled to open in March 2011. The associated car parking would be essential for the Games and ODA would retain the right to intervene directly to ensure that necessary elements were constructed in time.

Powerlines Work on the fourth tunnel was about to restart. There had been no recent settlement in the area of the old pit and the project was being reprogrammed.

Transport The proposed relocation of Thornton Fields to Temple Mills had been agreed and the anticipated savings would be used towards the cost of works to Stratford Regional station.

Governance and funding There would be a Ministerial committee to implement the decisions announced about ODA's lifetime budget. It would control the draw-down of contingency.

Velopark A response had been sent to the Eastway Users group and ODA would be looking at plans to ensure the needs of user groups were taken into account.

Handball A study has shown that the proposal for a temporary handball facility did not represent value for money.

Workforce issues The report would be amended to make clear that the unions were not seeking 100% guaranteed direct labour.

Staffing All staff were appointed on fixed term contracts with stakeholder pensions. They would be entitled to statutory redundancy pay only when ODA was wound up. The performance management system was operational with regular reporting and

robust targets most of which were programme-related. The current ratio of temporary to permanent staff was approximately 50%.

Primary sub-station The Strategic Outline Business Case for the Utilities sub-programme had been approved in January. This included the Primary Sub-station, which had been relocated to King's Yard and would now also supply the Stratford City development. It must be operational in time to supply the Stratford City shopping centre.

Peak Games demand would exceed the Legacy needs. Options analysis had shown that it would represent better value for money to install a third transformer than to pay for using temporary generators on site for that period. This would also avoid using diesel generators which would increase carbon emissions during the Games.

The Board noted that the business case had been finalised and submitted to the OPRG for approval on 20 March 2007 and they delegated to the Chief Executive, or in his absence the Director of Finance, authority to approve the final tender price within the total investment cost.

Finance Report

2006-07 budget Expenditure in February had been less than anticipated, but expenditure during March was on track so that the final outturn would be in line with the revised forecast at the end of December 2006.

Lifetime budget The announcements by the Secretary of State of the ODA lifetime budget and funding was in line with the ODA cost projections submitted to DCMS last Summer. All project budgets, approvals, and costs would need to include irrecoverable VAT.

Audit Committee

Audit Reviews considered at the most recent meeting included accounting policies and the financial statement layout, and also fraud management. The internal audit service had been appointed.

The Board noted the Minutes of the previous meeting.

Finance Committee

The Board approved the Standing Orders and Terms of Reference for the Finance Committee.

The most recent meeting had looked at the lifetime budget and the use of the contingency. The allocation of project costs would be adjusted to match the Work Breakdown Structure proposed by CLM. The CLM contract and Task Order were still under discussion but would be brought to the April Board meeting.

Risk Committee

Sir Peter Mason and the Chairman had identified the names of experts who might potentially be co-opted to the Risk Committee. The Committee could meet monthly, starting in April without external Members, at the same time as the Risk Review Board and the Programme Board.

Remuneration Committee

The Committee would consider the Chief Executive's year end performance reward in April and discuss with the Board and DCMS.

Communications Committee

A draft document setting out a series of milestones had been circulated. These would be announced in April when remediation started on site.

The Communications Strategy would be considered at the April Board meeting.

Baroness Sally Morgan left the meeting

Security Policy

There had been a presentation at the Board Awayday. ODA was fully integrated at senior level within the wider governance structures for security led by the Home Office and the Metropolitan Police.

ODA would act as client with expert staff brought in on secondment. CLM would implement the policy following due tendering process to select the security companies, and taking account of any views from LOCOG. The Board noted that ODA would develop a policy for risk appetite for security subject to the views of the Home Office.

A temporary wooden hoarding around individual sites would be erected during 2007 and around the whole of the Park to form a secure island site by the end of 2007. It would be replaced by a fence, that would also secure the Park during the Games. The timing of the construction of this fence was still to be determined. After discussions with stakeholders including Westfield, CLM would advise on the operational issues including the use of entry passes. There would be a further report to the Board in due course.

ODA Design Objectives

The paper looked at how smaller practices and schools could be brought into the design process. (A paper on the Design Strategy, covering all aspects, would be presented to the Board in April.)

High quality design had been included in the construction commitments signed in 2006 by the Chief Executive, with explicit references to criteria for selection and ensuring diversity of designers. This policy was now being implemented. It was an important factor in procurement, particularly for the smaller projects in the Olympic Park. The competition for design of the Velopark had attracted over 100 expressions of interest and included a number of smaller practices. Where appropriate it was intended to bring together a smaller practice with an experienced team to ensure that the full range of expertise was available. A Design Framework Panel was also being established from which designers could be drawn for the many smaller structures and landscaping within the Park.

A separate competition was being set up for schools to look at the legacy layout of the 'extreme cycling' track around the Velodrome. It had been targeted at children aged 7-15 since they would be the generation predominantly using the facility. A pilot would develop the idea in partnership with 4 local schools, helping to build a direct relationship with the community, but the competition would be run nationwide. The Board hoped to see the work with schools extended to older children and links made with Universities for appropriate technical projects where they had relevant expertise.

Arts Council, England would chair a forum to develop and implement the arts and cultural strategy for the Olympics. ODA would be supporting this through its direct responsibility for the Park.

Olympic Stadium Strategic Outline Case

The Board considered the Strategic Outline Case outlining the construction of the Stadium. ODA's policies and values would be fed into the contract through the procurement procedure. It would be revised after discussion with stakeholders before the Olympic Board met.

ODA was driving the work to identify legacy uses including a possible education use, an institute of sport, and elite and community sporting uses. The legacy uses would be reported in May.

Negotiations with McAlpines were continuing but the contract would not be formally let until much later in the year and most components would go to tender separately. The contract for transforming the stadium for Legacy use would not be let for some years and might be won by a different contractor.

Any Other Business

The BBC were proposing to make three programmes about preparations for the Olympics in 2008, 2010, and 2012. Arrangements for ODA involvement were being discussed.