

## **Minutes of 67<sup>th</sup> Board Meeting**

Held on 29 November 2012

### **Present**

Sir John Armit (Chairman), Sir Roy McNulty, Lorraine Baldry, Neale Coleman, David Fison, David Taylor

### **Apologies**

There were apologies received from Christopher Garnett and Sam Foley (DCMS).

### **Declarations of Interest**

David Fison declared an interest as a Director of Geoffrey Osborne Ltd, which had been awarded two contracts for external works on the Olympic Village. Neale Coleman declared an interest as the Mayor's advisor on the Olympic and Paralympic Games. Sir John Armit declared an interest as a Member of the Board of Transport for London.

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

The Board agreed the Minutes of the 66<sup>th</sup> Board Meeting held on 27 September 2012.

### **Chairman's Report**

The Chief Executive reported that the ODA had received a special award from the Public Accounts Committee for outstanding service delivery and value for money. He also reported that the NAO were finalising their seventh report on the Olympics. The Chief Executive had not been summoned to appear at the PAC hearing in December on behalf of ODA. The Chairman reported that the Government would be announcing that they would provide funds to the British Olympic Association so that they would release the marketing restrictions put on contractors who worked on the Olympics.

### **Programme Performance Summary - Chief Executive's Report**

The Chief Executive presented his report. He drew attention to the following points in particular:

**Remaining works** - completion of the Royal Artillery Barracks had been extended to March 2013, while completion at the Catering Village would be achieved in April 2013. Rectification of defects at Eton Manor would be completed by March 2013.

A number of land areas were handed back to the ODA (from LOCOG) in November, and will be held by the ODA until the legal agreements/leases with landowners are finalised. The Olympic Park and venues will be transferred to LLDC by 31 December 2012 with the exception of IBC/MPC where LOCOG are in occupation until 31 January 2013.

**Village Retrofit** - the first seven plots would be handed back from LOCOG to ODA on 2 November 2012. Kitchens have been procured for eight of the eleven plots.

**Safety** – the Village Accident Frequency Rate (AFR) is 0.12, the Park AFR is 0.07 and the 2012 rolling AFR is 0.09. The existing health and safety reports will be maintained on the Village to the end of retrofit.

**Transport closeout** - The majority of transport assets were being disposed of in line with agreed procedures. The main exception is the Stratford Transport Office which will be disposed of by the end of March 2013. Issues are being actively managed to completion prior to December 2012.

**Commercial Close Out** - close out of contracts - £4,463m against the £5,332m target. The Olympic Village process is picking up momentum, but some close-out may be delayed as contractors deal with rectification work through retrofit. The number of open disputes is reducing and good progress is being made in settling disputes.

**Human Resources** - target of c. 50 employees by 1 April 2013 with the current forecast to exceed this by five, but this is under review.

**Cost performance** - total spend to date is £6,957.2m. Year to date spend is £116.5m below

the Plan.

The Chief Executive reported that key programme issues included agreement and approval of the revised Village retrofit scope, programme and costs; resolving outstanding commercial disputes, and statutory transfer of utilities concessions to LLDC and resolution of associated land issues.

In addition, a member asked the Chief Executive to ensure that monitoring of planning conditions agreed by the ODA would continue at the LLDC Planning Committee. The Chief Executive said that this would be monitored and that he would discuss this with the Director of Planning at LLDC.

The Board noted the Programme Performance Summary and Chief Executive's report, and associated actions.

### **Exit Update**

This item was introduced by the Director of Finance. She reported progress with the key challenges being retention of staff to the end of their contract and matching resources to the remaining workload, ensuring that records are in place before teams leave and that there is sufficient expertise in the remaining workforce to locate relevant information, closure of the GOE unit at DCMS, and the impact of commercial close out and any issues outstanding beyond March 2013.

The Board noted the update on the Exit Strategy.

### **East Village Retrofit**

This item was introduced by the Director of Property, who reported that ODA would take back the Village from LOCOG on the 30 November 2012, six weeks earlier than planned, and on rectification work.

The Board noted the update on East Village.

### **Commercial Close Out update.**

This item was introduced by the Director of Commercial and Legal, who reported on the progress of commercial close out and remaining areas that were being addressed. He said that the key message was to secure value and ensure that close out was robust. This will mean that in a limited number of situations the close out will be deferred until appropriate value for money settlements can be achieved or adjudication is complete.

The Board noted the Commercial Close Out update.

### **Delivery Partner Contract**

This item was introduced by the Director of Commercial and Legal, who said that CLM's demobilisation has been extended to 31 March 2013 to accommodate the close out of post Games work.

The Board noted the Delivery Partner update.

### **Health and Safety update**

This item was introduced by David Fison.

The Board noted the Health and Safety update.

### **Governance Update**

This item was introduced by the Director of Finance. She reported on the need to change bank mandate arrangements to reflect directors leaving the organisation.

The Board agreed to the proposal.

### **Communications Progress Report**

This item was introduced by the Head of Communications. He reported that the ODA was working with QDD/Triathlon and Lend Lease to develop media plans, community relations, stakeholder engagement and visits to East Village. New staffing levels had been agreed to continue a communications operation into 2013.

He reported that local media and the local community continued to raise questions about the reinstatement of Leyton Marsh following its use as a temporary training venue for basketball players.

The Head of Communications said that the ODA had been participating in the Government-to-Government handover programme (23-27 November) in Rio de Janeiro and Sao Paulo. The event provided a strategic platform to review and build on the success of the London 2012 Games.

The Board noted the activity undertaken since the last Board meeting and plans for 2013.

#### **Audit Committee**

The Board noted the minutes of the 42<sup>nd</sup> Audit Committee meeting.

#### **Remuneration Committee**

There were no minutes to report.

#### **Planning Committee**

The Board noted the minutes of the 98<sup>th</sup> Planning Committee meeting.

#### **Any Other Business**

The Chief Executive reported that the ODA had responded to claims by the construction workers' union UCATT that Sir Robert McAlpine and other contractors used blacklisting checks during the building of the Olympic Park. The ODA had provided a media response, making clear that we would take very seriously any evidence that ODA contractors used blacklisting checks during the construction of venues and infrastructure for the Games, and that blacklisting was not a practice we would have supported in any form. A reply had been drafted to a Parliamentary Question for DCMS. Responses were now being prepared to letters from UCATT and Chuka Umunna, Shadow Secretary of State for Business, Innovation and Skills.

There being no other business the meeting closed at 1:35pm

Date of next meeting: 24 January 2013.