

Minutes of 66th Board Meeting

Held on 27 September 2012

Present: Sir John Armit (Chairman), Sir Roy McNulty, Lorraine Baldry, Neale Coleman, Stephen Duckworth, Christopher Garnett, Sally Morgan, Kumar Muthalagappan, David Fison, David Taylor, Sir Nicholas Serota.

Apologies

There were apologies received from Tony Ball.

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. Sir John Armit and Christopher Garnett declared an interest as members of the Board of Transport for London. Neale Coleman declared an interest as the Mayor's advisor on the Olympic and Paralympic Games.

Minutes of Previous Meeting & Actions Arising

The Board agreed the minutes of the 65th Board Meeting held on 28 June 2012.

Chairman's Report

The Chairman, on behalf on the Board, expressed appreciation to all the ODA teams involved in delivering the Games. The Chief Executive, on behalf of the ODA, also expressed thanks to the Board for all their hard work and support in delivering the Games.

Programme Performance Summary - Chief Executive's Report

The Chief Executive circulated a handout which included a series of photographs of the Games-time period. He reported that the Accident Frequency Rate (AFR) improved to 0.10 from 0.11 in July. There were no RIDDOR reportable accidents or dangerous occurrences on the programme in August. There was one incident on the Village relating to electric shock as a result of an unmarked cable and a physical audit was undertaken by Lend Lease to establish no other cases existed. The Chief Executive said total spend to date was £6,837m but receipts from the sale of the Village would return this figure to the target of £6,715m. Spend will continue to rise until completion of the Village sale in 2013-2014. Emerging cost pressures on the Village are offset by savings on rates, contingencies (not required as the Games went so well) and transport.

Key Programme Issues

Village – challenges around commercial close out and rectification works.

Commercial close out – challenge in closing SBH Lot 2 and LPR South Park contracts.

Utilities – there are four key utility concessions that LLDC are reviewing in relation to novation.

Olympic and Paralympic Games Report

This item was reported in four sections.

Transport

This item was introduced by the Director of Transport. He reported that the ODA delivered on every commitment set out in the Olympic Transport Plan and that the project was under budget and ahead of time, to quality and left an important legacy of how to create and operate an integrated transport system. The Olympic Route Network delivered by Transport for London to ODA designs and specifications worked well. ODA ensured walking, cycling and river services were realistic options, all facilities required by cyclists provided at all competition venues. ODA produced a handbook for the taxi and private hire vehicle industry which detailed road changes in London, venue and rail station arrangements. The ODA led the accessibility strategy for the Games and 100,000 spectators used free accessible bus shuttle services and 25,000 Blue Badge parking. The Travel Demand Management (TDM)

programme led to an average of 35% of Londoners reducing or changing travel patterns during the Games. The Transport Coordination Centre provided effective coordination of partners during the Games and legacy design is underway.

Next steps included the strip-out of overlay/assets; the legacy workstream and commercial close out.

The Chairman, on behalf of the Board, commended the ODA Transport team on delivering a successful transport system during Games time. The Board noted the Transport Update.

Park Operations

This item was introduced by the Director of Venues and Infrastructure. Park Operations were responsible for facilities management and maintenance of all ODA Olympic Park venues, Royal Artillery Barracks and some of Eton Dorney. The management and maintenance of security systems infrastructure included a baseline maintenance service and provision of a reactive service to respond to faults or incidents, mostly to LOCOG requests. About 2,500 individuals were accredited on behalf of the ODA and around 500 staff and contractors on duty on a typical shift with the Park being covered by 24/7 shifts. Venues performed well under intensive use including good design and construction, extensive testing, operational planning and rigorous maintenance. No faults occurred that disrupted events or broadcasts. The popularity of landscaping and the Live Sites caused some issues but proactive management helped preserve landscaping for the full six weeks. The landscaping was well received by public and the media.

The Board noted the Park Operations update and congratulated the Director of Venues and Infrastructure and his team on a successful Games.

Advertising and Trading

This item was introduced by the Director of Commercial and Legal. He reported that prior to the Games 279 designated enforcement officers were trained to cover 28 venues and events. 657 trading applications were made, 287 trading authorisations granted and 15 habitual traders provided with financial assistance. ODA staff employed low key, effective and efficient enforcement with minimal fuss, few issues or complaints. Engagement with local authorities and LOCOG was successful and vital funding for the Games was protected. Lessons learnt included using experienced enforcement officers, good external communication with partners, stakeholders and the trading community, and having an effective C3 structure.

The Board noted the Advertising and Trading update and congratulated the Director of Commercial and Legal and his team on a successful Games.

Finance Update

This item was introduced by the Director of Finance, who reported a year to date underspend against Plan of £122m, £38m of which related to Transport. The full year forecast is £34m down on Plan, of which £21m relate to a scope transfer to LOCOG. Key risks to the forecast are Village retrofit costs and programme, commercial close out and settlement of disputes.

The Board noted the Finance Update.

The Board noted the contribution of the ODA to a successful Olympic and Paralympic Games.

East Village Retrofit of Olympic Village

This item was introduced by the Director of Property with other contributions. He outlined the future timescale for work and gave details of maintenance work necessary during the Olympic and Paralympic Games.

The Board noted the Report and approved revised arrangements for managing retro-fit works to the Olympic Village and approved the strategy for resolving the outstanding commercial issues with third parties.

Organisational Update and Exit Strategy

This item was introduced by the Director of Finance. She said that the ODA remained on target to achieve substantive close out by March 2013, however a number of key

assumptions had changed. For instance, the ODA would be a standalone organisation through to closure with no co-location or shared support from DCMS; and significant additional pre Games and Games time works/services had been delivered to LOCOG. She said that cumulative commercial close out to the end of August was £4.3bn against a target of £5.0bn. Contract novations to the LLDC are scheduled to be broadly completed by the end of October 2012. Utility Concessions Agreements are progressing with principles to be agreed by 2 November 2012 between ODA, GOE and LLDC. The overall headcount of the ODA is higher than planned but this reflects additional activity at Games time and ongoing commercial close out. The 2013-14 headcount is within the anticipated range of c25-50. Exit strategies are being developed for all residual liabilities and being managed through the Exit Steering Group. Outstanding insurance claims are being monitored through the Commercial Board. The structure of the ODA EMB will contract in March 2014 with the expected departure of the Chief Executive and other directors leaving then and at earlier dates. The Director of Finance becomes Accounting Officer on the departure of the Chief Executive. The Board noted the ODA Exit Strategy Update and approved the proposals for ODA organisation, accommodation and governance in 2013-14.

Outstanding Property issues

This item was introduced by the Director of Finance. Two key issues remained to be settled in 2013, relating to overage and non-retail land.

The Board noted the Report.

Planning Update: Update on ODA Planning Committee and Planning Decisions Team (PDT) activities and transfer of planning functions to LLDC

This item was introduced by the Director of Planning Decisions. The Planning Committee had met 98 times to consider planning applications as well as reports on other matters. They received 277 reports and decided 256 applications with around 2680 decided by the service overall. The Committee has also met for briefings and site visits on 104 occasions. The transfer of all PDT ODA staff to the LLDC, plus two London Thames Gateway Development Corporation (LTGDC) staff, will take place on 1 October 2012. The Chair of the Planning Committee has written to the Planning Committee members to thank them for their service and this has been endorsed by the ODA Board.

The Chairman, on behalf of the Board, congratulated the ODA PDT team and Planning Committee for their hard work and handling difficult issues well. The Chairman pointed that the sheer scale of planning applications and decisions arrived at had never been done before.

The Board noted the Update on the ODA Planning Committee and Planning Decisions Team Activities and the transfer of planning functions to the LLDC and expressed their congratulations and appreciation to the ODA Planning Committee for their hard work over the last six years.

Communications Progress Report

This item was introduced by the Head of Communications. He highlighted substantial broadcast media interest in the ODA, especially before the Games began, and from the BBC and foreign broadcasters; ODA participation at media briefings organised by the Government and LOCOG; the breadth, variety and sheer scale of Games-related newspaper coverage, resulting in almost no negative media coverage of anything related to the Games, least of all the Olympic Park. He reported on support from the Communications team for ambassadorial activity by the Chairman, Chief Executive and other senior staff, including UKTI and GLA events and the Queen's visit to the Olympic Park. Games-time structures had worked well, internally and in conjunction with key stakeholders. ODA Communications staff had been seconded to Government (media, digital and dignitary management), LOCOG and to the cross-stakeholder Message Integration Group. The ODA had produced a media fact-file which had been widely distributed at media centres and through stakeholders.

The Board noted the activity undertaken by ODA Communications since the last Board meeting and the planned programme of major events/announcements for the months ahead.

Finance Committee

The Board noted the minutes of the 36th Finance Committee meeting.

Audit Committee

The Chairman of the Audit Committee commented that as the ODA moved through its wind-down phase it was important that the quality of the governance was reviewed to ensure its ongoing effectiveness.

The Board noted the minutes of the 41st Audit Committee meeting.

Remuneration Committee

There were no minutes.

Planning Committee

The Board noted the minutes of the 97th Planning Committee meeting.

Any Other Business

There being no other business the Meeting closed at 15.45

Date of next meeting: 29 November 2012