

## **Minutes of 76<sup>th</sup> Board Meeting**

Held on 3 July 2014

### **Present**

Sir John Armitt (Chairman), Lorraine Baldry, David Fison, Christopher Garnett, Neale Coleman.

### **Apologies**

Apologies were received from Sir Roy McNulty and David Taylor.

### **Declarations of Interest**

Sir John Armitt declared an interest as a Member of the Board of Transport for London. Neale Coleman declared an interest as Deputy Chairman of the London Legacy Development Corporation and as the Mayor's advisor on the Olympic and Paralympic Games. Lorraine Baldry declared an interest as the Chair of the Board of LCR. David Fison declared an interest as a director of Geoffrey Osborne Ltd, which had been awarded two contracts for works on the Olympic Village.

### **Minutes of Previous Meeting**

The minutes of the 75<sup>th</sup> Board Meeting held on 22 May 2014 were approved.

### **Chairman's Report**

The Chairman's verbal report was noted. Following a visit to East Village the previous week, he observed that the general quality of works at East Village was looking good.

### **Programme Performance Report**

The Director of Village and Commercial commented that East Village had a different feel now, with a community atmosphere. All units have been handed over except for approximately 110 QDD units. Final handover and certification of N04 is envisaged shortly.

The Chairman invited questions on the report. A member queried the number of snags outstanding. The Director of Village and Commercial replied that the level was not unusual and that the report did not reflect real-time progress, with overall the outstanding snags at about 2,000.

The Chairman enquired about the S106 obligations. The report was corrected and it was confirmed that the car club had been established and the MUF (Multi Use Facility) lease offered to CDT.

The Chief Operating Officer was asked for an update on the retaining walls issue. She explained that there was an ongoing ODA maintenance obligation associated with the Village retaining walls (in SVDP ownership) that ODA is seeking to transfer to Network Rail (NR). NR will require a commuted sum to take this obligation and the ODA has some provision in programme contingency for this.

Longer-term funding arrangements are being discussed between NR and the Department for Transport. The ODA propose a call option giving ODA (and ultimately DCMS if necessary) the ability to call on SVDP to transfer the retaining walls freehold at nil cost to NR or as otherwise directed. The option would facilitate ODA release from its maintenance obligations.

A member asked about the DLR maintenance obligation. The Chief Operating Officer confirmed that this will be picked up with DLR following completion of the NR suite of documents.

### **Village Retrofit and Overall AFC**

The Head of Business Assurance presented the paper.

A member made reference to the overview slides and whether that timetable is still what the ODA is working to. This was confirmed.

## **Performance of CM v Tier 1 Plots**

The Board noted the paper.

## **East Village Commercial Update**

The Head of Commercial presented the paper as a follow-up on earlier papers of January 2014, March 2014 and May 2014. He noted that, working with Lend Lease, the position in respect of final accounts is now well defined and that the supply chain settlement process has progressed well.

He confirmed that the ODA was a little below the planned value of close-out of the supply chain due to the increase in the baseline.

## **Sale Completion**

The Board noted the sale completion paper. The Chief Operating Officer highlighted a technical point about a series of transactional steps including the 125 year companies taking on debt for a brief period of time as part of the completion process, for which Treasury approval is being obtained. It was confirmed by a representative from Berwin Leighton Paisner that this was not unusual and that appropriate protections have been negotiated to ensure that ODA could recover from this position without loss. He explained the practicalities of the completion and payment process.

The Director of Finance at the Department for Culture, Media and Sport confirmed that Treasury was reviewing the sale mechanism for approval.

The Chief Operating Officer mentioned other workstreams related to sale completion.

She noted that E&Y were asked to review the financing of the sale transaction to assess whether it gives rise to a refinancing gain for the ODA, but declined as they were conflicted. An internal analysis had been done on this, which concluded that there is a very low risk of a refinancing gain arising. The Board approved the completion steps to be followed.

## **Community Development Trust Update**

The Head of Business Assurance presented this update.

## **Amendments to Standing Orders for Approval**

The proposed amendments were approved.

## **Annual Report and Accounts**

This was approved by the Board and is to be signed today by the Chairman and Chief Operating Officer.

## **Bronze Book**

This item was noted. The Director of Finance at the Department for Culture, Media and Sport reflected that DCMS had found the Bronze Book a very helpful aid to post-dissolution planning for the department.

## **Communications Progress Report**

The Head of Communications reported on the preparation of the annual report and accounts. He suggested that September would be good timing for any media events relating to sale completion.

## **Audit Committee – Minutes from 22 May Meeting**

This item was noted.

## **Remuneration Committee – Minutes from 22 May Meeting**

This item was noted.

There being no other business the meeting closed.

Date of next meeting: 25 September 2014