

Budget and Performance Committee

Dennis Hone

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9 April 2013

Dear Mr Hone

Budget and Performance Committee – the Olympic Stadium

Now that the LLDC has finalised a deal with West Ham United FC over the future of the Olympic Stadium I am writing to ask for some clarification about the terms of the agreement.

When you appeared before the Committee in January I asked if you would be happy to make the stadium tenancy contract a public document, to which you replied that there might be certain commercial sensitivities. I hope that, in light of the amount of public funding involved, you recognise the Assembly's interest in the terms of this deal, and the expectation on you to make as much detail available as possible. I would therefore be grateful if you could provide the Committee with a copy of the agreement, and a response that addresses the following points by 8 May.

Stadium conversion

- The latest estimated cost of the stadium conversion and a breakdown of that cost into the main elements of the project.
- The key milestones for the conversion project.
- Whether the terms of the deal include any other changes to the Olympic Park, such as to transport links or other infrastructure.
- The value, structure and timing of contributions from the various stakeholders (LLDC, West Ham, Newham Council, the Government and any others).
- Under what circumstances would the Government contribute the additional £25 million referred to in the LLDC press notice dated 22 March?
- Who will meet any cost overruns?
- On 9 January you agreed to provide the Committee with information regarding the costs incurred to secure a main tenant for the stadium. Now that a deal has been reached, would you please provide details of those costs, if possible breaking it down into the various stages of negotiations over the years.

Stadium revenues

- The value and terms of West Ham's rental payments. Are these payments set at a flat rate, or are they linked to inflation, or connected to West Ham's performance e.g. ticket sales or league position?
- The value and terms of any other agreements, such as naming rights, gate receipts, hospitality and food and beverage sales.
- Details of the LLDC's policy on sponsorship that will apply to the stadium naming, and how the decision-making process will work.
- The structure of the E20 Stadium LLP vehicle, and how stadium revenues will be shared between the LLDC, Newham Council and any other parties.

Value of West Ham

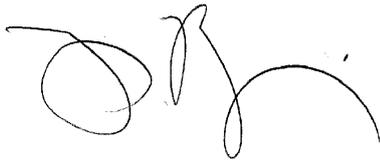
- The terms of the agreement intended to compensate the public purse for any increase in the value of West Ham as a result of this deal, should the club be sold at a profit.

Legacy objectives

- How the deal contributes to the legacy objectives, for example through community access and use of the stadium, local employment and payment of the London Living Wage.

I look forward to hearing from you.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Biggs', with a stylized flourish at the end.

John Biggs AM

Chairman of the Budget and Performance Committee