



Economic Development Culture Sport and Tourism

Committee Recommendations

Legacy united? The legacy of London's Olympic venues

Olympic Park Legacy Company Response

January 2011

Recommendation 1:

After 2012 the Olympic stadium must be used frequently by a high number of visitors, and operate without the need for on-going public subsidy. In response to the Committee by the end of January 2011 the Mayor and the Olympic Park Legacy Company should set out how the choices being made about the future operator(s) of the stadium will guarantee this happens?

OPLC response 1:

The Stadium is a vital and vibrant component of the Olympic Park – securing the most appropriate and viable solution is crucial for the Legacy Company's long-term aspirations for the future Queen Elizabeth Olympic Park and the regeneration of the wider area.

Following a successful and instructive market testing period from March to June 2010, the Olympic Park Legacy Company launched formal bidding for the long-term lease of the Stadium two months later on 18 August. In going to market, the Legacy Company's aim was to consider options which would enhance and build on the original plan to convert the Stadium to a 25,000 seat, mixed-use venue.

Five criteria agreed by Founder Members anchored the process and formed the basis for evaluating bids.

- To achieve a viable long-term solution for the Olympic Stadium that is deliverable and provides value for money

Accordingly the solution should be commercially viable, sustainable and deliverable in line with the Company's broader programme for legacy. The preferred Bidder must demonstrate sufficient capital and operational funding, with adequate resources to meet the costs of transforming the Stadium to its legacy state, fit out, and on-going lifecycle and operating costs, with minimum recourse to public subsidy for any funding shortfall.

- To secure a partner with the capability to deliver and operate a legacy solution for a venue of the Stadium's size and complexity

The preferred partner will have the proven capacity to ensure delivery and subsequent operation of the proposed legacy solution for the Stadium. Bidders must have:

- a demonstrable track record of operating multi-use venues;
- the financial capability to meet the costs of transformation of the Stadium;
- the capacity and capability to inform the transformation of the Stadium to its legacy state;
- the capability to meet on-going lifecycle and operating requirements; and
- the resource and capability to discharge the tenant's obligations under the lease.

The preferred Bidder will have proven robust organisation and management arrangements, and be able to demonstrate on-going financial strength.

- To re-open the Stadium for operational use as rapidly as possible following the 2012 Games

The Stadium transformation process from the 2012 Games configuration to the legacy design should commence as soon as the site is made available. Following the necessary transformation works, the Legacy Company will require the Stadium to be fully operational as soon as possible in order to maximise public benefit from the use of the Olympic Park.

- To ensure that the Stadium remains a distinctive physical symbol supporting the economic, physical and social regeneration of the surrounding area

The successful Bidder must demonstrate how its proposed Stadium legacy solution will contribute to the commercial and economic viability of the Olympic Park as being a destination for local, national and international visitors. The successful proposal must contribute towards the creation of local employment and commercial opportunities for local businesses, particularly those of a small and medium size. Legacy Stadium operations should integrate with the other Olympic legacy venues and demonstrate consistency of quality and longevity of design.

- To allow flexible usage of the Stadium, accommodating a vibrant programme of events allowing year round access for schools, the local community, the wider public and elite sport

The successful solution for the Stadium should demonstrate how such a solution can incorporate significant public and community assets. The physical infrastructure should be capable of accommodating a range of sports from community through to high performance levels, and contribute to the bid commitments for athletics, or propose credible alternatives. The solution should have the potential to house a programme of events in one or more sports over the calendar year, support a varied programme of cultural events, and make effective use of the Stadium undercroft to incorporate a range of uses.

On 12 November the Legacy Company short-listed two bidding consortia: West Ham United and the London Borough of Newham, and Tottenham Hotspur and AEG, and on 21 January these two consortia submitted their final bids. The Company is currently seeking further clarification with both bidders in order to identify a preferred bidder.

The five criteria originally agreed continue to guide the process and reflect the intention to arrive at a legacy use which minimises public subsidy and attracts a high number of visitors through a vibrant programme of events and year round access.

The Legacy Company will continue to update the Assembly on progress to arrive at a preferred Bidder and a final use for the Stadium.

Recommendation 2:

The Olympic Park Legacy Company must ensure the media centre provides a large number of skilled jobs after 2012. Proposals from any industry should be considered, on the condition that they offer this employment legacy. Alongside this, the OPLC should continue to pursue discussions with potential tenants from the creative industries and related sectors, without setting an arbitrary deadline for this activity. In a response to the Committee by the end of January 2011 the Mayor and the OPLC should set out how choices being made about the future tenants of the media centre will guarantee its employment legacy, and how the OPLC will work to promote the media centre to the creative industries.

OPLC Response 2:

We fully intend that the successful legacy delivery partner for the media centre will provide opportunities for sustainable employment. The recently completed market testing into the future uses of the Press and Broadcast Centre site generated extensive interest across a wide range of sectors, including creative, media, retail, cultural, construction, education, public, real estate, entertainment and leisure. More than 200 organisations have shown interest in the press and broadcast site, of which 45 formal submissions of interest were received. As part of this process we had regular dialogue with creative and media industries, and we hosted two events dedicated events for this sector.

We will now consider the various proposals and continue to engage with businesses as part of the process which could result in the Company formally going to market in early 2011. Following a review of the responses to the market testing, our next step will be for my Board and Founder Members to decide the preferred procurement route to take.

The final future tenants of the media centre will be dependent on the take up from the market. In the meantime OPLC will continue to encourage uses that promote sustainable employment opportunities and integrate the creative, media and digital industries. The Government's recent vision to create an East London Tech City shows tremendous support for our plans, and we have engaged with a range of companies - from start-ups to multinationals - to promote the Olympic Park as part of this vision.

Recommendation 3:

The Olympic Park Legacy Company needs to secure investment in adapting the media centre for legacy use and in enhancing transport connectivity. We recommend that any modest public sector contribution to this should come from the ODA's transformation budget, and if required from remaining contingency funds in the Olympic budget, in the event that this money is available. We ask the Mayor to respond to this proposal by the end of January 2011 and set out initial estimates of funding requirements for this investment.

OPLC Response 3:

We would concur with the Mayor's response to this recommendation in that it would be more appropriate to await the outcome of a process to secure legacy developers or occupiers, before anticipating what level the transformations costs could be and how they could be met.