



**Minutes**

**For:** E20 Stadium LLP Board  
**Date:** 24 July 2018  
**Location:** Marketing Suite, LLDC, 1 Stratford Place, Montfichet Road, Stratford, London E20 1EJ  
**Time:** 10:00am – 12.00pm

**Members Representatives Present:**

Nicky Dunn (Chair), Keith Edelman (teleconference items 5-11), Gerry Murphy

**In attendance:**

Alan Fort, Consultant, E20  
Alan Skewis, Director, E20  
Lyn Garner, Chief Executive, LLDC  
David Bellamy, Mayor’s Chief of Staff, GLA  
Ed Stearns, Director – Communication, Marketing and Strategy, LLDC  
Richard Irish, Finance Director, LLDC  
Greg Boon, Head of Contract Management – Stadium, LLDC

[Redacted]

**1. Chair’s welcome**

1.1. Nicky Dunn welcomed everyone to the meeting and noted that apologies had been received from David Gregson and Ash Sharma.

**2. Minutes of previous meetings**

2.1. [Redacted]

2.2. Members approved the minutes of the meeting on 26 June 2018 with no amendments.

2.3. It was noted that since the June 2018 meeting the E20 Board had made two further approvals.

- 2.3.1. **The Board APPROVED spending £50,000 on two feasibility studies to look at potential new access routes into Stratford Regional Station.**
- 2.3.2. **The Board APPROVED payment of fees as presented to the June Board.**

### **3. Actions arising from previous meetings**

3.1. The Board noted the actions list.

3.1.1. [REDACTED]

### **4. Finance Update**

4.1. Richard Irish presented the Finance Report to the Board.

4.2. The schedule of payments was presented to the Board for approval.

4.3. An addendum to the paper was circulated to the Board for approval, listing anticipated payments for August 2018 in lieu of a Board Meeting.

4.3.1. [REDACTED]

4.3.2. David Bellamy queried why E20 were continuing to pay West Ham United FC (WHU) for the hospitality box in the Stadium. Alan Skewis set out that the box was originally secured for a naming rights partner and has one year remaining on a three year contract.

4.3.3. It was agreed that a paper setting out the strategy for E20's use of the box and general admission tickets for all Stadium events would be presented to the Board in September 2018. **[Action: Alan Skewis / Ed Stearns]**

4.3.4. It was noted that the Board would need comfort in relation to ongoing funding from LLDC at the meeting in September 2018. Gerry Murphy confirmed that conversations were ongoing with the GLA and a paper would be tabled at September Board. **[Action: Gerry Murphy]**

4.4. **The Board NOTED the report and APPROVED all payments.**

### **5. Year End Accounts**

5.1. Richard Irish presented the year end accounts and gave an overview of the key points for the Board to consider.

5.1.1. It was noted that the LLDC Audit Committee had reviewed the E20 Accounts.

5.1.2. The Board's attention was drawn to the estimation of the onerous contracts provision and valuation of the Stadium, consideration of going concern and post balance sheet events relating to the restructuring plan and the outcome of the expert determination hearing.

- 5.1.3. An amendment to the letter of representation from management in respect of the whistleblowing report was noted.
- 5.2. The Board agreed that the accounts should be published at the same time as the LLDC accounts. **[Action: Ash Sharma]**
- 5.3. It was agreed that E20 would work with the Mayor’s Press Office to develop a plan for the publication of the accounts. **[Action: Ed Stearns]**
- 5.4. **The Board APPROVED the 2017/18 year accounts.**

## 6. Legal Update

6.1. Alan Fort presented the legal update including a paper setting out disputes with West Ham United by Sean Graham, Transport for London (TfL) Legal.

6.2. In relation to the Excess Seating Capacity (ESC) dispute with WHU, the following were noted:

6.2.1. [REDACTED]

6.2.2. [REDACTED]

6.2.3. [REDACTED]

6.2.4. [REDACTED]

6.2.5. [REDACTED]

6.3. In relation to the Inner Tier LED (pitch-side LED signage) dispute, the following were noted:

6.3.1. It was confirmed that the Court has found in E20’s favour over the injunction and that E20 has been awarded costs from WHU.

6.3.2. While the injunction has been settled, the claim remains live. E20 had given an undertaking not to implement without consultation in respect of pitch-side LED signage.

6.4. In relation to legal matters relating to the Football Association (FA)’s decision to charge WHU over crowd incidents on 10 March 2018.

6.4.1. [REDACTED]

- [REDACTED]
- 6.4.2. [REDACTED]
- 6.4.3. [REDACTED]
- 6.4.4. [REDACTED]
- 6.4.5. It was noted that an increase in stewarding numbers at the match still might have not prevented co-ordinated pitch incursions.
- 6.4.6. Alan Skewis confirmed that E20 and LS185 have replied in full to WHU's question and responded to WHU's request for additional background information.
- 6.5. In relation to WHU's request for a pre-season friendly in the Stadium. The Concession Agreement has differing definitions of a friendly match and pre-season tournament, which yield different commercial income from WHU to E20.
  - 6.5.1. It was confirmed that WHU have requested a pre-season tournament on 3/4 August 2019, in advance of the 2019/20 season.
  - 6.5.2. E20 would naturally seek to oblige WHU, however must consider the risk associated with athletics dates and seat moves, in particular if such a match would jeopardize football mode for the start of the football season.
- 6.6. Alan Fort confirmed that the Vinci Board in Paris had given approval for LS185 to install WiFi in the Stadium, in line with their obligation to deliver a 'connected stadium'.
  - 6.6.1. [REDACTED]
  - 6.6.2. [REDACTED]
  - 6.6.3. [REDACTED]
  - 6.6.4. [REDACTED]
  - 6.6.5. [REDACTED]
- 6.7. **The Board NOTED the legal update, including the current position on disputes with West Ham United.**

## 7. Expert Determination

- 7.1. Alan Skewis' presented an update of progress of each issue considered following the findings of expert determination.

*Draught Beer*

- 7.2. The Expert found that E20 should provide draught beer in hospitality lounges, but did not prescribe how.
- 7.3. Alan Skewis outlined proposals for provision of draught beer.

- 7.3.1. [REDACTED]

- 7.4. [REDACTED]

*IPTV*

- 7.5. The Expert found that WHU should have use of the TV screens and that the screens should show sporting events / news.
- 7.6. The Board discussed the implications of the IPTV findings, included the L-band advertising space on the screen.
- 7.7. **The Board APPROVED reimbursement of up to £58,000 exclusive of VAT to WHU for IPTV use throughout the 2017/18 season.**

*Hosts and Hostesses*

- 7.8. The Expert determined that E20 should provide hosting services in hospitality areas covering specific functions as set out in the Concession Agreement.
- 7.9. Alan Skewis set out two options for implementing the Expert's recommendations on match-day hospitality staff. They are;
  - 7.9.1. uniformed LS185 staff; or
  - 7.9.2. a contribution is made to WHU's costs of an external company, however any staff provided must meet LLDC's employment targets.
- 7.10. The Board did not agree that WHU would provide these services.
- 7.11. [REDACTED]
- 7.12. **The Board NOTED that from 2018/19 season LS185 will provide a host / hostess service, with a resulting increase of up to £2,000 per match in event costs.**

*Pitch Surround*

7.13. The Expert determined that the pitch surround should be a contrasting colour to the pitch and that the present cover was not suitable protective material.

7.14. Alan Skewis presented the options for the Stadium pitch surround.

7.14.1. [REDACTED]

7.15. **The Board APPROVED up to £120,000 for the installation of an upgraded pitch surround in London Stadium blue.**

#### *Legal Costs*

7.16. **The Board APPROVED payment of WHU’s legal costs in line with the expert determination up to £202,000 legal costs.**

7.16.1. [REDACTED]

7.16.2. [REDACTED]

### **8. E20 Director Update**

8.1. Alan Skewis’ presented the E20 Director Update.

8.1.1. Alan Skewis set out the actual attendance figures for the four UK Athletics (UKA) events throughout July and noted changes from the table included in the in the report.

8.1.2. David Bellamy requested that figures were included in the Mayor’s briefing for his meeting with UKA. **[Action: Gerry Murphy]**

8.1.3. The Chair requested that the net commercial revenue for each concert to be reported to the Board. **[Action: Alan Skewis]**

8.1.4. [REDACTED]

8.1.5. It was noted that there has been an improvement in reporting from LS185 on Health and Safety.

8.2. **The Board NOTED the E20 Director’s Report.**

8.3. **The Board NOTED the E20 risk and issue register.**

8.4. **The Board NOTED the Health and Safety report received from LS185.**

### **9. Westfield Costs**

9.1. Lyn Garner presented the paper on Westfield Costs.

9.1.1. [REDACTED]

9.1.1.1. [REDACTED]

9.1.1.2. [REDACTED]

9.1.2. [REDACTED]

9.2. [REDACTED]

9.3. [REDACTED]

9.4. **The Board APPROVED capital expenditure of up to £10,000 to purchase of barriers for use in the Northern Ticket Hall area.**

## **10. Balfour Beatty (BB)**

10.1. Lyn Garner set out the principles of closing out the BB transformation works dispute.

10.2. **The Board approved the delegations as set out in the paper:**

10.2.1. **The Board APPROVED a delegation of up to £850k to the LLDC Chief Executive and/or Deputy Chief Executive to be able to reach a settlement through a binding mediation with BB.**

10.2.2. **The Board APPROVED authority for Colin Naish to act as the mediation lead for E20 in the contractual closeout of E20's Stadium Transformation Works Contract with BB, subject to close monitoring from the LLDC Chief Executive and Deputy Chief Executive.**

10.2.3. **The Board APPROVED the sum of £15k for external advice to test both claims key assumptions.**

10.2.4. **The Board NOTED the risk that should the mediation or any subsequent dialogue fail to reach an agreed outcome BB may commence adjudication proceedings.**

10.2.5. **The Board NOTED the cost commitment to date for rectifying Transformation defects of £1.1m with a further £0.3m due to be committed shortly and Vinci FM's disruption claim of £1.15m.**

10.2.6. **The Board NOTED that LS185's expectation remains that they are paid in full for the balance of the Vinci FM disruption claim at £252k irrespective at the level that the BB claim is settled at.**

## **11. Utilities**

11.1. Tim Langdon presented the paper on driving down Stadium utility consumption.

11.1.1. [REDACTED]

11.1.2. [REDACTED]

11.2. **The Board NOTED the report including the downward utility consumption trend and that LS185 have agreed that the utility benchmarking process can proceed.**

11.3. [REDACTED]

**12. LS185 Commercial Matters**

12.1. Alan Skewis presented the paper on the progress of commercial issues with LS185.

12.1.1. David Bellamy queried the issue at 3.6., Lyn Garner clarified the issue were breaches of health and safety, and expressed her concerns at LS185's current level of performance.

12.1.2. Gerry Murphy provided an update on the progress of the MOPAC investigation following the whistleblower allegations.

12.1.3. It was agreed that the Board would receive an update on the final MOPAC report before any decision was taken on how to react. **[Action: Greg Boon / Gerry Murphy]**

12.1.4. David Bellamy set out the GLA's requirement that all Stadium staff will be paid the London Living Wage from the start of the 2018/19 season (18 August 2018). **[Action: Alan Skewis / Greg Boon]**

12.2. **The Board APPROVED spending £70,000 to build resilience in the stadium legionella control systems.**

12.3. **The Board NOTED that the historic disputed costs settlement with LS185 has been signed.**

12.4. **The Board APPROVED spending £25,000 as PART settlement of claim 2 (pre-operation full completion works) as appendix 1.**

**13. AOB**

13.1. [REDACTED]

13.2. There was no further business and the meeting closed at 11:00am.

13.3. The next Board meeting is to be held on 25 September at 9am at LLDC offices.