

## **Stadium and Queen Elizabeth Olympic Park FAQs**

### **1. Why is Newham Involved in the stadium deal?**

- Since the start of the Games we have been determined to help deliver the promises set out in the original Olympic bid book to transform the lives of those living in London's East End, especially the residents of Newham.
- Our vision for the Olympic Stadium remains to create significant community benefits including job creation, increased sports participation and the establishment of a world class visitor attraction.
  
- These include:
  - Securing the regeneration of the Olympic Park area
  - Employment opportunities of residents in the stadium and the businesses surrounding it
  - Access to events for residents, both as spectators and attending community events
  - Investment in local community sports programmes
  - An athletics programmes and facilities available for residents
  - Education facilities and programmes operated from the stadium
  - Funding for community legacy from Stadium revenues

### **2. How much has Newham invested?**

- Newham Council has provided a loan of £40m to Newham Legacy Investment (NLI)
- Newham is the sole shareholder in NLI.
- NLI has loaned this money to E20 Stadium Partnership LLP a special purpose vehicle with the LLDC for an investment of 35 per cent of the Olympic Stadium

### **3. What is E20 Stadium LLP?**

- E20 Stadium LLP is the name of the joint venture between NLI and the LLDC. It is a Limited Liability Partnership that is specifically set up to manage the stadium

### **4. How does the E20 stadium partnership work?**

- The partnership is made up of London Legacy Development Corporation and Newham Legacy Investments Ltd (NLI), a subsidiary company wholly owned by Newham Council.
- The partnership has been given a 102 year lease on the stadium island site by LLDC (three years to develop and refurbish and 99 year operation)

### **5. Shouldn't this have been the solution from the start?**

- Newham believed from the start of the Olympic project that the venues should have as much flexibility as possible to deliver a long term legacy
- The stadium partially achieved this, but the improvements being made will take it to another level

### **6. When was this loan agreed?**

This loan was agreed at a meeting of Newham's Full Council on 28 March 2012.

### **7. How will the loan repaid to the council?**

- The E20 Stadium LLP will generate revenue from the Stadium, this will then be used to repay the loan with interest to NLI.
- NLI will then repay the loan to Newham Council
- The loan is expected to be repaid over 40 years

### **8. How has this loan been financed?**

This loan from Newham Council to NLI has been financed from a number of sources this includes the Public Works Loan Board.

## **9. What is the interest on the loan?**

The loan will be repaid by E20 Stadium LLP with six per cent interest.

## **10. What is Newham's return on its £40m investment?**

This investment secures one hundred years of community benefits for Newham residents including:

- A minimum 35 per cent equity share in the Olympic Stadium and island site
- Year round access to the 400m community track from 2016
- Ten exclusive mass participation events in the Stadium per year for Newham residents. By way of example over 20,000 people took part in the 2015 Great Newham London Run this July, an event that organisers pay LBN for the right to manage, and in which around 1,300 residents secured free places
- Millions of tickets to West Ham United matches held in the stadium from 2016 (100,000 tickets every year for a hundred years)
- Additional tickets to sports and other entertainment events held in the Stadium. 500 residents are at Rugby World Cup games for free, as did over 1,500 attended the Barbarians match in August 2015
- A training and education centre in the Stadium from 2016
- A majority of new jobs created on the site will be filled by Newham residents.

## **11. How is the Council able to make an investment of £40m at a time of cuts?**

The investment has been made using Prudential Borrowing. This allows local authorities to borrow as long as the investment generates revenue to repay the loan. This type of borrowing could not be used to fund other council services.

## **12. What is the extra £5million the council has invested in the Olympic Stadium?**

Newham Council has agreed that an extra £5million will be made available to E20 Stadium Partnership LLP if they can ensure a return of this money within ten years.

At its September 2014 Council a grant of up to £5m was made available to invest in the stadium and southern area of the Queen Elizabeth Olympic Park. The funding secured the rights for E20 Stadium LLP to stage events on the QEOP. Examples of such events are the 2015 Rugby Fan Zone, and 6,000 children taking part in the “Go Run for Fun” event in July.

Any use of the £5m funds identified has to be matched by LLDC funds; and backed up with evidence that the funds will be invested in improvements to the stadium and park that generate a positive financial return over a 10 year period. This means that it will contribute to the financial success of the stadium and southern area of the QEOP.

None of the funds are being used for the original transformation works.

### **13. Where Can I find the West Ham United Rental Agreement?**

A redacted copy is available at

[http://www.queenelizabetholympicpark.co.uk/~media/lldc/execute\\_d\\_concession\\_agreement\\_redacted\\_v10.pdf](http://www.queenelizabetholympicpark.co.uk/~media/lldc/execute_d_concession_agreement_redacted_v10.pdf).