

MANAGEMENT COMMENTARY

Format of the Financial Statements

The Financial Statements for the year to 31 March 2009 have been prepared in accordance with the Direction on the Annual Accounts issued on 30 March 2007 by the Secretary of State, with the consent of HM Treasury and in accordance with paragraph 10(3) of schedule 31 to the Local Government, Planning and Land Act 1980.

Responsibilities of the Accounting Officer

The Accounting Officer for the Department for Communities and Local Government (DCLG) designated the Chief Executive as the Accounting Officer for LTGDC. The Accounting Officer's responsibilities include the signing of LTGDC's Financial Statements and ensuring the propriety and regularity of the public finances for which he is answerable, and the keeping of proper accounting and other records and systems, as set out in the Financial Memorandum to LTGDC.

The Chief Executive, as Accounting Officer, states:

- As far as I am aware, there is no relevant audit information of which LTGDC's auditors are unaware; and
- I have taken all the steps necessary to make myself aware of any relevant audit information and to establish that the LTGDC's auditors are aware of such information.

Employee Relations

LTGDC is an equal opportunities employer. All applicants are given full and fair consideration and are judged on the merit of their qualifications and experience in relation to the particular requirements of the post.

LTGDC aims to promote and maintain good relations with staff through an open management style and with informal and regular consultation at all levels.

LTGDC incurred 82 days of staff sickness absence from its 38 FTEs (see note 16 on page 47) during 2008/09. This equates to an average of 2.2 days per FTE for 2008/09.

Better Payment Practice Code

LTGDC supports the Better Payment Practice Code and aims to pay all undisputed invoices within the due date and wherever possible within 10 working days from the receipt of invoice. For the 12 months to 31 March 2009, 91% of undisputed invoices were paid within the due date.

It is LTGDC's policy to agree the terms of payment with suppliers when contracts are signed and pay invoices in accordance with the contract.

Open Government and Freedom of Information

As a public body, LTGDC is committed to the principles of open government, customer service information provision and value for money.

The Board of LTGDC has agreed to abide by the principles of the Freedom of Information Act 2000, in anticipation of being listed as a body to which the Act applies.

LTGDC has an Information Risk Management Policy, which has been developed using guidelines and best practice from the government. Implementation of the policy began in 2008/09 and is expected to be completed by 2009/10.

Sustainable Development Policy

LTGDC's Sustainable Development Strategy and Policy has been implemented which sets out the environmental, social and economic requirements and standards for developments that LTGDC is promoting.

LTGDC has adopted industry recognised standards as minimum requirements for any development on its sites. The minimum standards for the Code for Sustainable Homes (residential developments) and BREEAM (non-residential developments) have been set to be in line with those set by the GLA, the Homes and Communities Agency (which has taken over the functions of English Partnerships and the investment functions of the Housing Corporation), which are higher than the building regulations. However, LTGDC will look to work with developers to exceed these minimum standards.

Key Performance Indicators

LTGDC has agreed with DCLG that its performance will be measured on the outputs delivered as a result of its project activities. The core output measures are:

- Housing units
- Permanent FTE jobs
- Private sector investment
- Brownfield land remediated
- Commercial floor space
- Green or open space created.

LTGDC has a 10 year life but many of the outputs generated will happen over a longer time frame. The majority of work undertaken by LTGDC in 2008/09 related to the acquisition of strategic sites, enabling local authorities to buy back leaseholds on sites earmarked for demolition, masterplanning studies, feasibility studies and other preliminary work. The investment in 2008/09 will enable LTGDC to deliver against its core output targets in the forthcoming years and ultimately achieve the desired longer term outcomes for the Lower Lea Valley and London Riverside areas.

For 2008/09 LTGDC is able to report the following outputs delivered; delivery of 173 new homes, 107 new/safeguarded jobs, £24 million of private sector investment, 2,877,650 sq m of green and open space refurbished, 6.5 sq m of new commercial floor space, 2.3 hectares of brownfield land remediated. LTGDC also delivered 2.52 km of new and upgraded roads along with 2.75 km of new pedestrian routes.

LTGDC expects the 2008/09 spend to result in the delivery of 4,300 new homes, 950 new jobs, £150 million of private sector investment, 11 hectares of brownfield land remediated, 44,000 sq m of new commercial floor space and 24,500 sq m of green or open space being created by 2016.

Register of Interests

A Register of Interests is maintained by LTGDC which is open to the public and can be obtained from the Deputy Chief Executive.

Auditors

The Comptroller and Auditor General is the statutorily appointed auditor of LTGDC under the Local Government, Planning and Land Act 1980 and the Government Resources and Accounts Act 2000.

The cost of work performed by the auditors in respect of the year ended 31 March 2008/09 was £28,100 which comprises £25,250 in respect of the statutory audit of the 2008/09 financial statements and £2,850 for the International Financial Reporting Standards (IFRS) transition audit.