



HOUSE OF LORDS

Library Note

Debate on 8 November: Olympic and Paralympic Games Legacy

This Note provides background reading for the debate to be held on Thursday 8 November on:

“the long-term legacy for the UK from the Olympic and Paralympic Games”

The London 2012 Olympic Games took place from 27 July to 12 August 2012, and the Paralympic Games took place from 29 August to 9 September 2012. This Note explores the impact of the Games on the UK economy, regeneration, sport and the broader cultural effects of hosting the Games.

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1. Introduction

The London 2012 Olympic Games took place from 27 July to 12 August, and the Paralympic Games took place from 29 August to 9 September. This Note will explore the impact of the Games on the UK economy, regeneration, sport and the broader cultural effects of hosting the Games.

2. Economy

2.1 Cost of Hosting the Olympics

Official estimates of the cost of hosting the Olympics have more than doubled, from the time the bid was made to the present day. Ahead of London's bid to host the Games, in May 2003, the estimated gross cost of the Games was £4 billion, comprising £2.992 billion core Olympic costs plus £1.044 billion for infrastructure on the Olympic Park. These costs were to be met by a public sector funding package of £2.375 billion for the core Olympic costs, £1.044 billion Exchequer funding for the infrastructure, plus an anticipated £738 million from the private sector ([The Budget for the London 2012 Olympic and Paralympic Games](#), National Audit Office, 20 July 2007). In 2007 the then Secretary of State for Culture, Media and Sport, Tessa Jowell, announced that the budget for the Games and infrastructure associated with the Olympic Park and other venues would total £9.325 billion (HC *Hansard*, 15 March 2007, [cols 450–452](#)). The National Audit Office noted in a 2007 report that public sector funding had almost tripled, while private sector contributions had fallen to less than 2 percent ([The Budget For The London 2012 Olympic And Paralympic Games](#), National Audit Office, 20 July 2007).

On 23 October 2012, the Minister of State, Department for Culture, Media and Sport, Hugh Robertson, stated that the final costs of the Olympics had been calculated:

The overall cost of the games is forecast at £8.921 billion, a saving of £377 million on the £9.298 billion budget. Including contingency held for the Olympic Delivery Authority (ODA) and the London Organising Committee of the Olympic Games and Paralympic Games (LOCOG) risks there remains a total of £480 million of uncommitted contingency within the £9.3 billion public sector funding package (PSFP).

(HC *Hansard*, 23 October 2012, [col 45WS](#))

Mr Robertson explained that “any underspend in the PSFP will be retained by HM Treasury, though any moneys remaining at the conclusion of the programme in the Olympic Lottery Distribution Fund will be transferred to the National Lottery Distribution Fund to benefit lottery good causes”.

The Government Olympic Executive's final quarterly report, [London 2012 Olympic and Paralympic Games Quarterly Report October 2012](#), provides further information. It explains that: “The National Lottery and GLA will both benefit from a share of receipts from the agreed sale of the Olympic Village in March 2014. As part of the agreement put in place when public funding for the Village was approved in 2009, the Lottery and the GLA will receive repayments of £69m and £30m respectively. In addition, the National Lottery is entitled to receive £675m from receipts from the sale of land in the Olympic Park in return for the National Lottery distributors' additional contribution of £675m to the PSFP when it was reviewed and increased in March 2007 ([London 2012 Olympic and Paralympic Games Quarterly Report October 2012](#), DCMS, October 2012).

There have been other estimates of the cost of the Olympic Games which vary from the figures cited above. The House of Commons Public Accounts Committee published a report in February 2012, [Preparations for the London 2012 Olympic and Paralympic Games](#), which suggests that the overall cost to the public purse will be £11 billion:

There are other significant public sector costs which do not fall within the £9.3 billion Public Sector Funding Package, but which take the total estimated cost to the public purse of delivering the Games and their legacy to at least £11 billion. These costs include £766 million to purchase the Olympic Park land, around £826 million for legacy projects and expenditure on Games-related activities by Government Departments.

([Preparations for the London 2012 Olympic and Paralympic Games](#), 9 March 2012, HC 1716)

Sky Sports has published an article which suggests that the cost of hosting the Olympics was £12 billion, if the calculation includes spending on:

More anti-doping control officers, money for local councils for their Olympic torch relay programmes, cash spent on legacy schemes, paying tube workers not to strike, governmental operational costs, the cost of the Olympic Park Legacy Company, legal bills over the stadium tenancy decision and extra cash to UK Sport... and the cost of buying the land for the venues at £766 million, remediation of that land and legal costs associated with that.

(['Olympics over budget'](#), Sky Sports, January 2012)

The article claims that, if this figure were to include additional policing costs, transport projects and counter-terrorism efforts, "the Olympic spend would have totalled well over £24 billion, more than double the current Olympic budget and ten times the original calculation".

An article published by the Saïd Business School at the University of Oxford suggests that the 2012 Games may be the most expensive Olympic Games ever, but suggests that all of the summer and winter Games over the past 50 years have run over budget, by 179% on average (['London Olympics Over Budget'](#), Saïd Business School, 25 June 2012).

2.2 Short-Term Economic Effects

The most recent growth figures published by the Office for National Statistics show that the UK economy grew 1 per cent in the third quarter of 2012, emerging from recession in the three months from July to September. The ONS attribute part of this growth to the Olympic Games, suggesting that "Olympic and Paralympic ticket sales added 0.2 per cent to the level of GDP in the third quarter of 2012" ([Economic Review](#), ONS, October 2012). In an article on the Olympic Games, the ONS state that "the Olympics and Paralympics generated around £580 million in ticket sales". This article also suggests that the Olympics increased growth in the entertainment, accommodation, food and drink and transport sectors ([Statistical Special Events in Quarter Three 2012 – the Olympics & Paralympics](#), ONS, October 2012). However, it suggests that the Olympics may have had a negative effect on growth in the retail sector, saying "we have received feedback from on line retailers that sales were lower as consumers watched the Olympics instead of shopping online" and also affected growth in the film and TV industry as "the output of these industries was quite weak for quarter three 2012 and there is some evidence from

businesses to support this weakness” because people were “watching the Olympics instead”.

While this paper suggests that online retail was damaged by the effect of the Olympics, ONS figures on retail sales suggest that, overall, “in August 2012 retail sales were estimated to have increased compared with August last year, continuing the underlying year-on-year upwards movements we have seen in the retail sector since August 2011” ([Retail Sales August 2012](#), ONS, 20 September 2012). Furthermore, the ONS reports that “the largest contribution to growth in the non-food sector came from the other stores category in particular sporting goods and toys. Feedback from these stores suggests that sales were boosted by an increase in sales of football shirts with the start of the new season and the European Championship but also from increased sales as a result of the Olympics” ([Retail Sales August 2012](#), ONS, 20 September 2012).

Some representatives of the retail sector have expressed disappointment with the growth shown in their sector during the period of the Games. The British Retail Consortium have suggested that their own figures show retail sales in the UK were 4 percent lower in August than the same month last year, and maintain that, excluding Easter, it was the weakest month since November 2011. Stephen Robertson, Director General of the BRC, said: “there’s no evidence here of any Olympic boost to retail sales overall. Sadly, apart from April—distorted by Easter timings—August saw the worst sales growth this year” ([Retail sales ‘hurt by Olympics’ in August](#), BBC, 20 September 2012). Some retailers expressed concern that government warnings to stay away from central London to avoid crowding had deterred shoppers ([‘We’re bleeding, darling’—London’s theatres, shops and hotels claim they are suffering because of the Olympics](#), *Telegraph*, 31 July 2012).

Evidence on the effect of the Games on tourism has been similarly mixed. ONS figures on tourism suggest that: “the number of visits to the UK by overseas residents in August 2012 was 3.0 million, 5 per cent lower than in August 2011” ([Overseas Travel and Tourism, August 2012](#), ONS, 11 October 2012). However, the ONS suggests that “earnings to the UK from these visits”, in which they include Olympic and Paralympic ticket sales, “rose 9 per cent”. The ONS report states that “an estimated total of 590 thousand visits were made either for the Olympics or Paralympics, or involved attendance at a ticketed event” and adds that “the average amount of money spent by those people who either made their visit for an Olympics or Paralympics purpose or attended a ticketed event was almost twice as much as the average spent among other visitors” ([Overseas Travel and Tourism, August 2012](#), ONS, 11 October 2012).

It has been reported that visits to tourist attractions were negatively affected in the short term by the Games. According to the Association of Leading Visitor Attractions (ALVA) some tourist sites attracted 60 per cent fewer visits during the Games than during the same period last year. ALVA have described it as “the worst trading period ‘in living memory’” ([UK tourist attractions suffer plunge in visitor numbers](#), *Guardian*, 9 October 2012). Commentators within the tourism industry have expressed disappointment with the tourism figures during the Olympics and suggest that visa restrictions may be to blame ([UK visa system attacked as tourists stay away during Olympics](#), *Telegraph*, 11 October 2012).

2.3 Long-Term Economic Effects

Prime Minister David Cameron has suggested that, on the basis of UK Trade and Investment calculations, over the next four years, the UK economy will gain £13 billion from hosting the Olympic Games, with £1 billion in estimated additional sales by British companies, up to £4 billion in high-value opportunities, £6 billion in foreign direct investment, and £2 billion from an increase of around four million in the number of

international tourists ([‘David Cameron predicts £13bn Olympics boost,’](#) *Independent*, 5 July 2012).

Other analysts have attempted to estimate the potential long-term effect on the UK economy. In 2002, Arup published a report, which was commissioned by the Government, Mayor of London and the British Olympic Association, in order to assess “the cost and benefit implications of bidding for and staging the Olympic and Paralympic Games” ([London Olympics 2012](#), Arup in association with Insignia Richard Ellis, 21 May 2002). This report concluded that the Games would lead to “an overall cashflow position of between minus £145 million and plus £82 million”, depending on income from increased tourism. In 2005, PricewaterhouseCoopers produced a report which was commissioned by the Government, which predicted that:

The Olympics is expected to raise UK GDP in the period from 2005 to 2016 by £1.9 billion. Over the same period, the expected increase in London’s GDP (on a workplace base) is £5.9 billion and the increase in (North) East London’s GDP (on a similar basis) is £0.5 billion. In practice, some of this benefit is likely to accrue to non-London residents.

([Olympic Games Impact Study](#), PWC, December 2005, p 22)

Both the Arup and the PWC calculations were based on the assumption that staging the Olympics would cost £4.9 billion, which was then the official estimate.

Goldman Sachs published a report in June 2012 which predicted that the Olympics would lead to an increase in GDP of 0.3 to 0.4 percentage points in the third quarter of this year but argued that this would be “largely reversed” in the next quarter. However, the report points out that:

The long-term benefits of hosting the Olympics include the promotion of London and the UK as tourist venues and as a potential location for foreign investment, as well as the lasting impact on the local community from regenerating a previously run-down part of London. By their nature, these effects are more difficult to estimate but they are not necessarily less important than the short-term effects.

([The Olympics and Economics 2012](#), Goldman Sachs, June 2012)

Lloyds TSB have published a report which considers the economic impact of the Games between the time of the successful bid in 2005 and 2017. It concludes that:

It is estimated that the 2012 Games will support a £16.5 billion (2012 prices) contribution to UK GDP spread over 12 years. Of this, 82 percent is expected to result from the pre-Games and legacy construction activity, 12 percent from tourism and 6 percent from the expenditure required to stage the Games. Of the GDP supported by the 2012 Games, 70 percent is estimated to be generated prior to and during the Games, with the remaining 30 percent expected to occur as part of its legacy.

([The Economic Impact of the Olympic Games](#), Lloyds TSB, June 2012)

The report’s author, Chris Daniels, has suggested that the Government have “probably underplayed” the economic benefit of hosting the Olympics, suggesting that “there are a couple of big impacts that weren’t predicted, and one of them is the sense of pride and confidence that the UK and UK plc has got... the second thing is that every senior

business person and politician has been impressed while attending events. You can't measure the impact of some of these private business conversations behind closed doors, but it will be there" (['Boris Johnson: Olympics were 'money well spent' as tourism boosts business'](#), *Telegraph*, 13 August 2012).

The boost to business predicted by Lloyds TSB is one of the key benefits of hosting the Games which has been identified by the Government. Business Secretary, Vince Cable, recently said "Team GB has seen exceptional success at the Olympics in the last few weeks and, at a time when the international spotlight is firmly upon us, we have also seen huge levels of investment by businesses. Our task now is to drive home the message that Britain is open for business, and to enhance the conditions that companies need to invest and grow." (['Business Leaders Join Ministers to Hail Olympic Boost for UK Economy'](#), UKTI, 11 August 2012). The Government has announced that:

Following the Olympics, initiatives to promote UK businesses will include:

- Great Britain Delivers - a multi-media showcase taking the message to the world that the UK can deliver major global projects on time and on budget.
- Further British Business Embassy programmes at major international events including the Sochi Winter Olympics in 2014 and subsequent Games, including the Commonwealth Games in Glasgow in 2014.
- Trade missions to countries set to host the Olympics, Winter Olympics and the FIFA World Cup in the coming years, including Brazil, Russia and Qatar, to export the expertise and skills of UK firms. An estimated £1.5bn worth of contracts have been identified flowing from Sochi 2014 and Rio 2016.

(['Business Leaders Join Ministers to Hail Olympic Boost for UK Economy'](#), UKTI, 11 August 2012)

The Confederation of British Industry (CBI) has suggested that "CBI research shows that 91 percent of London firms surveyed think that hosting the Olympics and Paralympics will help promote London internationally" (['David Cameron claims London 2012 will bring £13bn 'gold for Britain'](#), *Guardian*, 5 July 2012).

The Government has also suggested that, while tourism figures during the Games may have flagged, the UK will receive a boost to tourism in the future as a result of hosting the Games. Jeremy Hunt, then the Secretary of State for Culture, Media and Sport, said in August that: "the Olympic effect is massively disruptive and you do get, in any city that hosts an Olympics, tour groups saying we're going to avoid that city during this summer because it's just going to be too busy... But what you also get is a massive long-term boost to your reputation. You get a big, big uplift, but you've got to capitalise on it". He said that the success of the Olympics had made London "one of the most desirable places to visit on the planet" and explained how the Government would be focusing on attracting visitors from China, where the Government thinks there is potential to triple the number of tourists (['Olympics will turbocharge UK tourism, says Hunt'](#), BBC News, 14 August 2012).

Evidence from previous Olympic host cities on tourism has been mixed. A recent report by Citi Research looks at tourism in selected previous host countries one year after the Games; it points out that tourism has increased in some countries after they hosted the Games but has fallen in others, saying "tourist inflows rose sharply in Australia (2000) and Greece (2004), but fell sharply in China (2008)" (['UK Economics Weekly: The Olympics and the Economy'](#), Citi Research, October 2012). The report suggests that the economic benefits of hosting the Olympics tend to be realised before rather than after the Games have taken place. Looking at the average year on year (YoY) pace of GDP

growth in host countries for all the summer Olympics since 1964, the report suggests that “on average, YoY GDP growth peaked about two quarters before the Olympics and then slowed during and after the Games (probably reflecting the end of the Olympics construction programme)” ([UK Economics Weekly: The Olympics and the Economy](#), Citi Research, October 2012). Tourism increased in Barcelona, following its hosting of the Olympic Games in 1992. A 2005 academic report attributes this increase to the successful hosting of the Olympic Games:

Between 1986 and 2000, Barcelona’s hotel capacity increased threefold. Parallel to this, the number of visitors from abroad visiting the city doubled, reaching a total of 3.5 million visitors per year. In comparison with the other host cities over the last 12 years, Seoul, Atlanta and Sydney, Barcelona’s results are outstanding. In some areas, they are truly exceptional, as for example, in the figures on hotel capacity and the number of foreign visitors.

([The Economic Impact of the Barcelona Olympic Games, 1986–2004](#), Barcelona: Centre d’Estudis Olímpics UAB, 2005)

A report published by the European Tour Operators Association in 2006 suggests that tourism would have increased in Barcelona and Sydney in the years following their hosting of the Games, regardless of whether they had hosted them or not. The report states that Dublin and Prague both outperformed Barcelona as a tourist destination in the decade after Barcelona hosted the Games in 1992, drawing the comparison because:

The nearest match to a ‘Barcelona without the Olympics’ would be Dublin and Prague, both medium sized national centres which blended hedonism with considerable cultural appeal. If you track Barcelona’s visitor growth against these cities, then the “Olympic effect” disappears.

([Olympic Report](#), ETOA, 2006)

The report points out that New Zealand attracted more visitors than Australia in the years after Sydney hosted the Games in 2000. The ETOA published a further report in 2010 which argues that the Olympics has had a consistently damaging effect on the tourism industry in host countries, causing “a catastrophic mix of high expectation and low demand” ([Olympic Hotel Demand](#), ETOA, 2010).

It has been suggested that it is difficult to quantify the long-term effect of hosting the Olympic Games, because it is impossible to know what would have happened to a country’s tourism industry or wider economy if the country had not hosted the Games. A report by think tank Centre for Cities describes this problem:

Even cost-benefit analysis only works in the short-term: in the longer term, isolating the direct impact of the Games is almost impossible. Interestingly enough this does not seem to stop studies from using this approach, which suggests that there are strong incentives to produce evidence that justifies hosting the Olympics. Another difficulty arises from the limited comparability of data between different Olympic cities. National statistical authorities use different methodologies and apply different definitions of city boundaries.

There are significant differences in the availability of data, depending on the characteristics of governments in host countries.

[\(A Marathon not a Sprint? Legacy lessons for London](#), Centre for Cities, September 2012)

Professor Jeffrey Owen has gone further, suggesting that “there has not been a study on an Olympics or other large-scale sporting event that has found empirical evidence of significant economic impact”. He argues that impact studies tend to count public money spent on Olympic building projects as a benefit rather than a cost ([‘Estimating the Cost and Benefit of Hosting Olympic Games: What Can Beijing Expect from its 2008 Games?’](#), *The Industrial Geographer*, August 2005).

3. Sport

3.1 Elite Sport

A recent report by Goldman Sachs cites the increased likelihood of winning medals for host countries as a benefit of hosting the Games which is overlooked by economic analyses:

Sporting enthusiasts will (fairly) argue that a narrow focus on the economic costs and benefits of hosting an Olympics misses the point. For competitive sporting enthusiasts, perhaps the most important ‘bottom line’ of hosting the Games is this: over the past 10 Olympics, the host nation has won 54 percent more medals on average than it has won in Games it did not host. If medals are your preferred currency, this represents a high return on investment.

[\(The Olympics and Economics 2012](#), Goldman Sachs, June 2012)

Both the British Olympics and Paralympics teams surpassed the medal targets set for them by UK Sport and their performance at the most recent previous Games in Beijing 2008. UK Sport set the Olympics team a minimum target of 48 medals, and a top four finish in the medal table ([‘UK Sport World Class Sport’](#), 7 August 2012). The Great British Olympic team finished with 65 medals, with 29 gold, 17 silver and 19 bronze. This exceeded their total of 47 medals at the 2008 Beijing Games and the target of at least 48 medals set by UK Sport ([‘London 2012: Team GB Finish Third In Olympic Medal Table’](#), BBC News, 12 August 2012). The Great British Paralympic team won 120 medals, surpassing the 103 medal target set by Sport England and the 102 medals which they won in Beijing ([‘ParalympicsGB team lauded as curtain comes down on exceptional Games’](#), Sport England, 13 September 2012).

A report published by the Department for Culture, Media and Sport (DCMS) in 2012 offers detailed information on the funding of elite sport. It explains that “funding for elite sport, as administered by UK Sport, comes from three key sources, Grant in Aid, UK Sport Lottery Funding and other private income”. The paper charts the increase in funding for elite sport since 1997, and suggests that the successful Olympic bid in 2005 led to the Government announcing a £200 million funding increase for elite sport. The report argues that this enabled UK Sport to begin funding all of the UK’s Olympic and Paralympic sports (excluding the professional sports of football and tennis) and therefore had a direct impact on the number of medals which were gained by the British Team in Beijing 2008, since it enabled “the development of elite coaches and increased coaching capacity at the elite end of the spectrum; the use of funding to expose athletes to more regular and intense international competition and ...the application of technological advances to sporting performance”. The report suggests that “without the additional activities funded by the influx of money in 2006, in particular from the Exchequer, a

significant improvement in the medal table position in 2008 would probably not have been achieved” ([Report 3: Baseline and Counterfactual: Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games](#), DCMS, January 2012).

Total UK Sport funding for the London 2012 Olympics was £264,143,753, while total UK Sport funding for the Paralympic Games was £49,254,386 ([‘Sport by Sport London 2012’](#), UK Sport website). The *Guardian* newspaper has conducted an analysis of the “cost” of each of the medals won by the Great British team in 2012, suggesting that “the average spend per cycling medal was £2.2 million, compared with £8.4 million of spending for each Olympic swimming medal” ([‘How much did each Team GB medal cost at London 2012?’](#), *Guardian*, 13 August 2012).

The Government set out its legacy plans for elite sport in a document published on 20 December 2010, announcing that sport would receive more funding from the National Lottery:

We are safeguarding UK Sport investment into Olympic and Paralympic sport in the run-up to 2012 to provide our athletes with the best possible chance to match and exceed their unprecedented performances in Beijing. After 2012, our lottery reforms, which will increase sport’s share of lottery returns from 16 percent to 20 percent, will ensure that UK Sport’s income for the start of the Rio 2016 Games cycle is the same as at present, and will enable us to maintain a world class high performance system in the UK. We have also asked UK Sport to increase their investment into Major Events to £5m as part of DCMS’ contribution to the Government’s economic growth strategy. Finally, we are modernising the structure of sport, in order to maximise funding to the frontline, by bringing UK Sport and Sport England together and working with National Governing Bodies in order to drive improvements to their governance.

([Plans For the Legacy from the 2012 Olympic and Paralympic Games](#), DCMS, December 2010)

In January 2012, the Department for Culture, Media and Sport announced that the increase in funding from the National Lottery, along with an increase in lottery ticket sales, would lead to an extra £500 million funding for sport over the next five years. The DCMS revealed lottery projections from December 2011 which showed that total income for sport between 2012-13 and 2016-17 was expected to be £1.8 billion, an increase from the £1.3 billion which was forecast in September 2010 ([‘Funding boost for Sport in 2012 and beyond’](#), DCMS, 24 January 2012).

In August 2012 Prime Minister David Cameron announced guaranteed funding of £500 million for elite sport over the next four years, of which £80 million would be government funding, and the remainder would be provided by the National Lottery. He said that “I want one of the legacies of these Games to be our athletes triumphing in Rio in 2016, and in future Olympic Games. Guaranteeing this funding will help ensure that happens” ([‘London 2012 Olympics: Government guarantees athlete funding to 2016’](#), *Telegraph*, 12 August 2012). UK Sport is currently deliberating as to the amount of funding each sport will receive in the run up to the next Olympic Games in Rio. UK Sport has a policy of “awarding funding where it has the greatest chance of succeeding” ([‘Investment in Sports’](#), UK Sport website). It has been reported that some sports may lose their funding following poor performances in this year’s Olympics ([‘Olympics funding: Some Team GB sports told to expect cuts’](#), BBC News, 14 August 2012). The Chief Executive of British Handball has recently criticised Sport England’s approach, suggesting that they should

take a more long-term view ([‘Handball chief calls for more flexible funding’](#), BBC News, 1 November 2012).

3.2 Increasing Participation in Sport

The House of Commons Library have published two papers which comment in detail on the sporting legacy of the Games: [‘London Olympics 2012: Sporting Legacy’](#) (House of Commons Library, 26 January 2012, SN04868) and [‘School Sport’](#) (House of Commons Library, 24 May 2012, SN06052).

When the UK presented the bid to host the Olympic Games in Singapore in 2005, Lord Coe, Chair of the Olympic Committee, said that if London hosted the Games, it would seek to inspire a “new generation” of athletes, saying “London’s vision is to reach young people all around the world. To connect them with the inspirational power of the Games. So they are inspired to choose sport” ([‘Singapore Presentation’](#), London 2012 website, 6 July 2005). Since the successful bid, each government has sought to make the connection between hosting the Games and increasing participation in sport, putting in place policies to this end.

In June 2008, the Labour Government published a [‘Legacy Action Plan’](#) which pledged to make the UK a world-leading sporting nation through:

- Inspiring young people through sport: offer all 5 to 16 year-olds in England five hours of high-quality sport a week and all 16 to 19 year-olds three hours a week by 2012
- Getting people more active: help at least two million more people in England be more active by 2012

([‘Legacy Action Plan’](#), DCMS, June 2008)

Also in June 2008, as part of its plans for a sporting legacy, the Labour Government announced a £140 million fund to encourage local authorities to open publicly owned swimming pools free to the over 60s and under 16 year olds. On 17 June 2010 the Coalition Government announced that funding for the free swimming initiative was being withdrawn as part of departmental savings ([‘DCMS savings announced’](#), DCMS website, 17 June 2010). The current Government has also dropped the commitment to make two million people active. In September 2010, Jeremy Hunt, then the Secretary of State for Culture, Media and Sport, stated that “we dropped that target because we believe that having that kind of top-down target can often have a counterproductive effect, in the way that people spend money in order to tick a box rather than to achieve the objective that you’re aiming for” (14 September 2010, [in oral evidence](#) to the House of Commons Culture, Media and Sport Select Committee).

The Government announced plans for an Olympic style school sports competition on 28 June 2010, whereby up to £10 million lottery funding, distributed by Sport England, would be used to create a new sports league for primary and secondary schools. From 2011, schools would compete against each other in local leagues, culminating in national finals ([‘Olympic-style Sports Competition for Young People launched as part of 2012 Legacy’](#), 28 June 2010). The competition is now known as the School Games. Funding has been committed of up to £35.5 million Lottery funding from Sport England between 2010–15, and £28.4 million Exchequer funding from the Department of Health and Sport England ([‘About the Games’](#), Sainsbury’s School Games website, accessed 2 November 2012). On 1 August 2012 8,341 schools, including 359 special schools, reported having participated in the School Games 2011/12 (HC *Hansard*, 15 October 2012, [col 211W](#)).

In October 2010 the Department for Education released a press notice entitled [‘Refocusing sport in schools to build a lasting legacy of the 2012 Games’](#) which stated that, from March 2011, the Government would be removing previously ring-fenced funding for school sports partnerships:

The Department for Education is ending the £162 million PE and Sports Strategy of the previous administration, to give schools the time and freedom to focus on providing competitive sport. In recent years there has been a decline in young people taking part in traditionally competitive sports such as rugby union, netball and hockey because teachers and school sports coordinators have been too focused on top-down targets... After seven years and £2.4 billion investment from the Government and Lottery, the Department expects all schools to have embedded the good practice and collaboration developed over this time and to continue providing two hours a week of PE and sport.

([‘Refocusing Sport In Schools To Build A Lasting Legacy Of The 2012 Games’](#), Department for Education 20 October 2012)

The Government published a revised policy on 20 December 2010 [A new approach for school sports - decentralising power, incentivising competition, trusting teachers](#), which announced that funding for School Sport Partnerships (SSPs) would continue until August 2011 instead of March 2011 at a cost of £47 million, and that a further £65 million of Government funding was being provided until 2013 to fund one day a week of secondary school PE teachers’ time to be spent out of the classroom encouraging intra- and inter-school competition in primary schools.

The Government published a press release on 15 November 2010 which announced details of a new scheme called Places People Play:

The £135 million initiative has been made possible by the Government’s National Lottery reforms, which are bringing additional funding into grassroots sport. Places People Play will be delivered by Sport England, in partnership with the British Olympic Association (BOA) and the British Paralympic Association (BPA) with the backing of The London Organising Committee of the Olympic Games and Paralympic Games (LOCOG) and the London 2012 Inspire mark.

We will transform the places where people play sport, making the benefits of London 2012 visible in cities, towns and villages across the country by:

- Upgrading up to a thousand local sports clubs and facilities
- Investing in a number of iconic multi-sport facilities that set the standards for future facilities development
- Protecting and improving hundreds of playing fields across the country, preserving high-quality spaces for local people to play and enjoy sport.

([‘Places People Play: London 2012 mass participation legacy plans unveiled’](#), Sport England, 15 November 2010)

Further details are available from the Sport England website ([‘Places People Play – delivering a mass participation sporting legacy from the 2012 Olympic and Paralympic Games’](#), Sport England website, accessed 2 November 2012).

The Government set out its legacy plans in a document published on 20 December 2010. This describes the Government’s aims for “harnessing the United Kingdom’s passion for sport to increase grass roots participation, particularly by young people and to encourage the whole population to be more physically active” ([Plans For The Legacy](#)

[From The 2012 Olympic And Paralympic Games](#), December 2010). The document cites the Places People Play and the Olympic schools competition as elements of the Government's legacy plan. On 10 January 2012, Jeremy Hunt, then Secretary of State for Culture, Media and Sport, announced a new Youth Sport Strategy to create "a sporting habit for life among young people". The strategy will be delivered by Sport England and its website sets out the main features of the plan as follows:

Between 2012 and 2017 over £1 billion of National Lottery and Exchequer funding will be invested to create a meaningful and lasting community sport legacy by growing sports participation at the grassroots level. Under the new strategy, every secondary school in England is set to host a community sports club, and £10 million will be made available to open up school sport facilities for wider public use.

(['Creating a Sporting Habit for Life'](#), Sport England website)

In August it was reported that the Government had approved the sale of thirty playing fields, despite advice to the contrary from an advisory body (['Michael Gove says sorry for playing fields sell-off error'](#), *Independent*, 17 August 2012). The Government announced in October that the National Lottery would be investing £2.4 million in new playing fields (['£2 million to protect playing fields'](#), DCMS, 17 October 2012). It was reported in August that the Government had removed the requirement that all schools should provide two hours of PE lessons each per child. Under the previous Government, all children of compulsory school age were expected to take part in two hours of sport a week (['Olympic legacy: Coalition axes school sports targets'](#), *Telegraph*, 7 August 2012). Prime Minister David Cameron has defended this change, saying "Every school has to deliver sport. What the last Government did—which is not right—is if you just sit there in Whitehall and set a target but don't actually do anything to help schools to meet it, you are not really solving the problem. In fact, by just saying, 'I want you to do this number of hours a week', some schools think 'right, as soon as I have met that minimum target, I can tick a box and give up'". (['David Cameron defends move to scrap compulsory targets for school sport'](#), *Guardian*, 8 August 2012).

A report published by DCMS in 2012 suggests that levels of participation in sport have remained stable in the years since the Olympic bid was won, and questions whether the Olympics has had an impact on participation:

Overall, sport and physical activity participation rates are remarkably stable, averaging at between 53.0 percent and 53.7 percent over the 2005–06 to 2010–11 period, in terms of having taken part in sport in the past four weeks.

([Report 3: Baseline and Counterfactual: Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games](#), DCMS, January 2012)

The report concludes that hosting the 2012 Games has not had a 'statistically significant' positive effect on participation. However, the report suggests that, without the stimulus of the Olympic Games, funding may not have been provided to support participation, and therefore participation may not have remained so stable:

The evidence so far accumulated suggests that the 2012 Games had an effect of enhancing, expanding and influencing 'existing' programmes aimed at increasing sport participation, using the 2012 Games to improve their effectiveness. There have also been some new programmes developed to create a legacy of participation from the London 2012 Olympic and Paralympic Games, notably

Places People Play (£135 million awards). Sports participation initiatives may have received additional funding than would otherwise have happened in the absence of the 2012 Games, but this is difficult to determine with any certainty. Thus, overall not only has the volume of activity increased, but also the variety of programmes and activities on offer.

([Report 3: Baseline and Counterfactual: Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games](#), DCMS, January 2012)

There has been speculation as to whether hosting the Olympics can lead to an increase in participation. Analysis of sports participation in Australia between 1985 and 2002 suggests that in the year following the Sydney Games in 2000, 7 Olympic sports experienced an increase in participation while 9 experienced a decline ([Tracking Change: Leisure Participation and Policy in Australia 1985-2002](#), *Annals of Leisure Research*, 2003). In a 2007 report, the House of Commons Culture, Media and Sport Committee concluded that “no host country has yet been able to demonstrate a direct benefit from the Olympic Games in the form of a lasting increase in participation” ([London Olympic Games and Paralympic Games Funding and Legacy](#), 24 January 2007, HC 69-i). The House of Lords Science and Technology Committee has suggested that, rather than focusing on increasing participation in sport, the Government should seek to incorporate exercise into medical treatments to improve the nation’s health, and recommend that NICE and the NHS update chronic disease guidelines with information about exercise, and evaluate the best way to deliver exercise treatments through the NHS ([Sport And Exercise Science And Medicine: Building On The Olympic Legacy To Improve The Nation's Health](#), 18 July 2012, HL paper 33).

It has been reported that, since the Olympic Games have taken place, interest has increased in participation in sports. According to a MediaCom survey, more than half of 8–12 year-olds said the Games made them want to be more active and participate in more sports ([Legacy is a voyage of discovery](#), *Independent*, 17 September 2012). A survey by the Local Government Association suggests that more people are taking part in local sports. The LGA surveyed councils in England and Wales, and found that:

- 44 per cent of councils reported an increase in users during the Olympics.
- The 10 sports where councils with those facilities have seen the greatest increase in users are swimming (36 per cent of councils), gym (26 per cent), athletics (17 per cent), beach volleyball (13 per cent), gymnastics (12 per cent), sailing (11 per cent), tennis (11 per cent), badminton (9 per cent), cycling/BMX (8 per cent) and handball (7 per cent).

([Olympic Enthusiasm Boosts Participation](#), Local Government Association, 10 September 2012)

The report suggested that councils have had to draft in extra lifeguards, coaches and leisure centre staff and extend leisure centre opening hours to cope with the surge in demand.

Some commentators have suggested that there is insufficient funding to cater to an increased demand for local sport. It was recently reported that Olympic athlete Mo Farah’s running coach has suggested that cuts to the School Sport Partnerships had left local sports underfunded ([Mo Farah’s old teacher attacks school sport reforms](#), *Telegraph*, 5 October 2012). The Sport and Recreation Alliance have also suggested that local sport is receiving insufficient funding. They have reported that a survey of their members revealed that:

- Lack of funding for sports clubs is preventing 3 in 5 clubs (59 percent) from growing their membership whilst increased running costs are holding back the growth of almost the same amount again (54 percent). Similarly, half (51 percent) can't grow their membership because of a lack of affordable venues/facilities.
- 2 in 5 clubs (42 percent) have seen an increase in the number of people joining their club since the Games this year but a quarter (26 percent) of these clubs are struggling to meet this demand.
- Sports clubs providing Olympic sports are more likely to have noticed an increase in the number of people joining with an average of 7 in 10 (69 percent) stating this. 43 percent of these clubs struggled to meet the increase in demand.

([‘Olympic legacy: Three quarters of grassroots clubs say government hasn't done enough’](#), Sport and Recreation Alliance, 19 October 2012)

Secretary of State for Education, Michael Gove, has recently met representatives of the Football Association, the England and Wales Cricket Board, the Rugby Football Union and the Lawn Tennis Association in order to discuss how to improve school sports ([‘Michael Gove seeks new way for school sport to deliver on London 2012 legacy promises’](#), *Telegraph*, 4 October 2012). The Government has also recently announced £17 million funding for 150 full time sports professionals called ‘College Sports Makers’ to work on increasing sports participation in further education colleges over the next five years, along with a £3 million fund, so that colleges can bid for grants for sports projects ([‘£20m to get more college students playing sport’](#), DCMS, October 2012).

3.3 Disabled People and Sport

The 2012 Paralympic Games have been widely hailed as a success, not only in terms of sporting achievement ([‘Paralympics 2012: Great Britain team exceeds both the 103-medal target set by UK Sport and performance at Beijing’](#), *Telegraph*, 7 September 2012) but in terms of attitudes towards disability in sport. The London 2012 chairman Lord Coe has said that that the Games has had a “seismic effect in shifting public attitudes”, adding: “I don't think people will ever see sport the same way again, I don't think they will ever see disability in the same way again” ([‘London 2012: A seminal moment for Paralympic sport’](#), BBC News, 10 September 2012). The Paralympics were watched by more people than any previous Paralympic Games ([‘London 2012 Paralympic Games to be broadcast to largest ever global audience’](#), London 2012 Olympic and Paralympic Games website, 27 August 2012). There is some evidence to suggest that the Paralympics has inspired disabled people to take part in sport. The ParaSport website (parasport.org.uk), which helps people find disability sports clubs, reported a 2,000 percent year-on-year increase in visitors during the Games ([‘Paralympics 2012: The Legacy’](#), *Sport* magazine, 3 October 2012).

Sport England has reported that, currently, 18 percent of disabled adults undertake physical activity for more than 30 minutes a week; compared with 38 percent of non-disabled adults ([‘Gyms are ‘no-go zones’ for disabled people, say campaigners’](#), *Guardian*, 10 September 2012). A DCMS report suggests that participation levels in sport for those with a long term illness or disability have not increased in the period leading up to the Olympic Games ([Report 3: Baseline and Counterfactual: Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games](#), DCMS, January 2012). The report comments that “barriers to participation amongst disabled people include not only health but also time and money, a lack of confidence, and access to information and support. 2012 legacy interventions

must overcome such challenges if they are to boost participation amongst disabled people. Initiatives such as Parasport are attempting to improve access to opportunities through better signposting for this group”.

The report goes on to give examples of two government programmes which aim to increase participation for young disabled people:

- Within Places People Play, Lottery funding has been dedicated to tackling the barriers faced by disabled people when they want to play sport, as well as making sure that every element of the Places People Play programme works for disabled sportsmen and women too;
- Within School Games, there are initiatives to track disabled participants, to create better material for schools to engage disabled children in meaningful sport and competition and to create specialist clusters around the new School Games Organiser network.

The report also suggests that:

A number of private sector initiatives are particularly focused on helping people with disabilities to benefit from the Games’ sporting legacy. For example, Deloitte has invested £1.7 million in its Deloitte Parasport Programme, delivered in partnership with the British Paralympic Association (BPA), which involves developing disability sport in the UK before 2012, a sum that is match-funded by Government, bringing the total value to £3.4 million.

[\(Report 3: Baseline and Counterfactual: Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games, DCMS, January 2012\).](#)

In June Sport England announced an £8 million legacy fund for Paralympic sport ([‘£8 million legacy investment fund to help sport deliver for disabled people’](#), 6 June 2012). Some commentators have expressed concern that levels of public and private funding for disabled sports will not continue. Mark Hardie, Chief Executive of charity Access Sport, suggests that there is concern that “unless the right heads are banged together and the political lobbying keeps going on, the momentum from the Games will disappear” ([‘Work to create a legacy to London 2012 starts now’](#), *Independent*, 10 September 2012). It has been suggested that fitness facilities for disabled people are lacking. A survey carried out on behalf of the charity Leonard Cheshire Disability found that gyms in England were not well equipped for people with disabilities. The survey of 300 UK leisure facilities found that a third of gyms did not have an automatic door at the entrance to the gym, while a quarter of swimming pools did not have hoists to support disabled people to get into the water, and a third of gyms did not have any fitness equipment that was suitable for disabled people ([‘Gyms are ‘no-go zones’ for disabled people, say campaigners’](#), *Guardian*, 10 September 2012). Some commentators have questioned why transport arrangements made to assist disabled people during the Games, including the use of manual ramps for the first time on the Underground, will not continue following the end of the Paralympic Games ([‘From Transports of Delight to Inaccessible Transport’](#), *Guardian*, 10 September 2012).

There is some evidence to suggest that the change in attitudes identified by Lord Coe has occurred not just in terms of attitudes towards disabled sports but towards disabled people more broadly. Polling carried out by ComRes immediately before and immediately after the Paralympics found that the number of people who said that they “feel positive about the role of disabled people in UK society” increased from 68 percent to 76 percent during the course of the Games ([‘Poll Digest - Social - CAF Paralympics poll’](#)). A recent article suggests that this change in attitudes is necessary since “hate

crimes against disabled people rose by more than a third last year, exposing the hostility they face in modern Britain despite the goodwill created by the recent Paralympics” ([‘Leap in disabled hate crimes shows need for Paralympics effect’](#), *Independent*, 14 September 2012).

3.4 Women and Sport

The London Olympics saw an unprecedented number of women participate, with 4,847 female competitors ([‘Women in sport: Why unparalleled success of 2012 must not fade into history’](#), *Independent*, 25 October 2012). The countries of Brunei, Qatar and Saudi Arabia fielded female athletes for the first time ever, and it was the first Olympic Games in which every participating country was represented by a female athlete ([‘An Olympic moment for women’](#), *Los Angeles Times*, 27 June 2012). Thanks to the inclusion of female boxing, it was also the first time that women were permitted to compete in every sport ([‘London 2012: was this the women’s Olympics?’](#), *Channel 4 News*, 12 August 2012).

However, at the beginning of the Olympic Games, Olympic cyclist Lizzie Armitstead voiced frustration at what she described as the “overwhelming sexism” in sport. She argued that the low media profile given to female sportswomen had led to less investment by sponsors ([‘London 2012: was this the women’s Olympics?’](#), *Channel 4 News*, 12 August 2012). The Women’s Sport and Fitness Foundation suggests that the “momentum” developed by women’s participation in the Olympic Games must be harnessed to address what it calls “endemic” inequality in the world of sport. The Women’s Sport and Fitness Foundation suggests that:

Only 5 percent of all sports media coverage is dedicated to women’s sport; Women’s sport receives just 0.5 percent of all commercial sponsorship; only one in five Board Members of national sports governing bodies are women.

The under-promotion and under-funding of women’s sport is leading to an inactivity crisis among women, with just 20 percent of women currently doing enough exercise to benefit their health.

([‘Women’s Sport and Fitness Foundation warns Parliamentary meeting of risk to Olympic legacy’](#) Women’s Sport and Fitness Foundation, 24 October 2012)

Maria Miller, Secretary of State for Culture, Media and Sport, has called for broadcasters, including the BBC, to improve their coverage of women’s sport in the aftermath of the Olympics, saying that women’s sport had been “woefully under represented on television”, with women’s cricket, football and netball “buried pretty deep in the schedules, if shown at all” ([‘Minister’s call to broadcasters over women’s sport’](#), *BBC News*, 15 September 2012).

4. Regeneration of the Olympic Host Boroughs

The House of Commons Library has published a note which comments in detail on this subject: [Olympic Games and Regeneration](#) (7 February 2012, SN03742). The Games were held across six London boroughs: Barking and Dagenham, Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest, with the Olympic Park itself in Newham. The Olympic bid was based on a plan to regenerate east London ([‘Regeneration and Economic Growth’](#), Department for Culture, Media and Sport website). On the day that it was announced that London would be hosting the Olympics in 2012, Jack Straw, then the Secretary of State for Foreign and Commonwealth Affairs, stated that “London’s bid

was built on a special Olympic vision. That vision is of an Olympic Games that will be not only a celebration of sport but a force for regeneration. The Games will transform one of the poorest and most deprived areas of London. They will create thousands of new jobs and homes. They will offer new opportunities for business in the immediate area and throughout London” (HC *Hansard*, 6 July 2005, [col 404](#)). In November 2009, the host boroughs published the [Strategic Regeneration Framework](#) (SRF) which stated that: “The SRF sets out an ambitious legacy vision that is unrivalled anywhere in local government: within 20 years, the communities who host the 2012 Olympic and Paralympic Games will enjoy the same social and economic chances as their neighbours across London”. The SRF set out a series of aims for the social regeneration of the host boroughs for 2015, including that 120,000 more residents would be in jobs, 99,000 fewer residents would have no qualifications, and there would be “more affordable family homes” available.

The current government has also stated that the Olympics will regenerate the host boroughs. In 2010, Prime Minister David Cameron said “let’s make sure the Olympics legacy lifts East London from being one of the poorest parts of the country to one that shares fully in the capital’s growth and prosperity” ([‘David Cameron promises to bring growth to the regions’](#), *Telegraph*, 29 May 2010). The DCLG website provides an overview of the Government’s plans for regeneration, stating that “the Games will physically transform this part of London, putting in place improvements to infra structure, as well as the Park itself, that will help drive renewal and regeneration in the area”. It describes how:

Local boroughs, the Mayor, and other agencies, are working together more closely, with Government’s support, on programmes to address the deep seated social disadvantage experienced by many of the local population. Educational attainment, skills, worklessness, crime levels, health disparities and life expectancy are all being targeted.

[\(‘What the Olympic legacy means for East London’](#) DCLG website, accessed 1 November 2012)

4.1 Housing

The Government announced that, from April 2012, the London Legacy Development Corporation (LLDC), led by the Mayor of London, would take over responsibility for the Olympic Park from the Olympic Park Legacy Company. The LLDC will be responsible for selecting organisations to develop the park into a number of residential ‘neighbourhoods’ over the next 20 years. East Village (formerly the Athlete’s Village) will be the first area of The Queen Elizabeth Olympic Park to reopen in October 2013. The existing buildings will be converted into more than 2,800 homes, roughly half of which are owned by Triathlon Homes, a consortium of two housing associations and a development company. The rest of the properties belong jointly to the real estate arm of the Qatar sovereign wealth fund, Qatari Diar, and UK company Delancey ([‘Taylor Wimpey wins bid to develop Olympic Park neighbourhood’](#), *Guardian*, 5 August 2012). The first of 5 new ‘neighbourhoods’ to be built in the Park is Chobham Manor, which is due to open in 2015. It was recently announced that property development firm Taylor Wimpey and housing association L&Q will be responsible for developing this area ([‘Legacy Corporation appoints Taylor Wimpey and L&Q to build first neighbourhood’](#), LLDC, 2 August 2012).

In the East Village, Triathlon Homes will provide affordable homes to rent or buy, of which 675 are for social rent ([‘Ownership and rental options’](#), Triathlon Homes). The properties owned by Qatari Diar and Delancey will be open market homes mainly available for private rental. The Chobham Manor development will contain 870 homes, of

which more than 70 percent will be for families, and 28 percent will be affordable ([‘Legacy Corporation appoints Taylor Wimpey and L&Q to build first neighbourhood’](#), LLDC, 2 August 2012). The LLDC aims to build an additional 8,000 homes in the Park over the next 20 years, of which 35 percent will be “affordable housing” ([‘The Legacy of the Olympic Park’](#), LLDC). Developers for the rest of the Park have yet to be chosen.

Keith Fernett, Director of homelessness charity Anchor House, has expressed concern over the definition of ‘affordable’ housing. Changes to housing policy introduced last year mean that “affordable” housing can be rented at up to 80 per cent of market rates. Mr Fernett has said “traditionally ‘affordable’ meant homes for working-class, low-income people. It has been redefined and now it means affordable for graduates and young professionals. Affordable now means earning £30,000 or more, which is beyond most of the people in the borough. There are 32,000 people on the social housing waiting list here and we don’t expect the Olympic Park to make a dent in that” ([‘Price rise for ‘affordable’ housing puts Olympic legacy under threat’](#), *Independent*, 2 July 2012). A report by housing provider and charity East Thames Group suggests that 65 percent of Newham households would be unable to afford a three-bedroom property at 80 percent market rates ([‘Impact of the Affordable Rent Model: Newham’](#), East Thames Group, 2011). A 2009 report prepared for the OECD and DCLG warned that land and property values in the Olympic host boroughs may increase, displacing existing residents ([‘London’s Olympic Legacy’](#), London East Research Institute, November 2009). The charity Community Links has welcomed the LLDC’s commitment to develop 35 percent affordable housing but suggests that “the 35 percent target for affordable housing is broken down into clear proportions of Social Rent, intermediate rent and Affordable Rent to ensure that affordable housing in the Park remains accessible to a wide range of local people” ([‘London 2012: a social legacy for East London?’](#), Community Links, October 2012).

4.2 Employment

In 2005, when the Games were awarded to London, the London Employment & Skills Taskforce for 2012 expressed an aspiration that 70,000 previously workless Londoners would find employment as a result of the Games ([‘London 2012 Employment and Skills Evaluation’](#), GLA, January 2012). LOCOG’s skills and employment strategy, released in September 2010, set out two key targets:

- Between 15 and 20 percent of its total workforce to be from the Host Boroughs; and
- Between seven and 12 percent of its total workforce to be previously workless people.

([‘London Organising Committee of the Olympic Games and Paralympic Games Limited Employment and Skills Strategy’](#), September 2010)

The GLA is currently carrying out an assessment of the employment legacy of the Olympics. It suggests that preliminary evidence is positive:

Significant employment benefits from the Games have already been achieved, ahead of the event itself. As an indication of the scale of activity, 36,000 people had been supported into work by the end of March 2012 through associated projects, and around 27,000 people have been recruited into entry-level jobs with LOCOG contractors during the Games.

([‘London 2012 Employment and Skills Evaluation’](#), GLA, January 2012)

A report by Citi Research also suggests that the Olympics were successful in providing employment in the host boroughs:

Across the UK as a whole, the claimant count jobless rate was unchanged over the year to August this year, but in London, the jobless rate fell by 0.6 percentage points in the six Olympics boroughs with an average drop of just 0.3 percentage points in the remaining 27 non-Olympic London boroughs. Among the London boroughs, three of the biggest four declines in the jobless rate were in Olympic boroughs (Hackney, Newham, Barking and Dagenham). Indeed, Hackney recorded the biggest decline in the claimant count jobless rate of any of the 400-odd local authority districts in the UK, Newham recorded the second-biggest drop (equal with Haringey) and Barking and Dagenham recorded the fourth-biggest drop. In total, more than 100,000 people were paid to work on the Games (ie excluding volunteers).

([UK Economics Weekly: The Olympics and the Economy](#), Citi Research, October 2012)

The Olympic Delivery Authority set out aims for the employment of local people in their Equality, Inclusion, Employment and Skills policy. The benchmark for the employment of people from host boroughs was 15 percent. The ODA has stated that this aim was exceeded, since a percentage of 17.5 percent was reached ([Delivering Change: Pre-Games Sustainability Report](#), April 2012).

The Mayor of London established two main Olympic employment projects which are still ongoing. The Five Boroughs Skills and Employment project provided £15 million funding to help long-term unemployed in host boroughs into employment while the 2012 Employment Legacy project used £4.5 million of LDA funds to help Londoners into jobs during the Games and will continue to support them post-Games ([Mayor announces £20m programme to get London's unemployed into Olympic jobs](#), GLA website, 17 March 2010). A recent report by the BBC has criticised these programmes, suggesting that delays have hampered their success:

The 2012 legacy project was meant to start in April 2010, with a target of getting 1,400 people into work and keeping them in their jobs for at least a year. The project only got off the ground last autumn, missing the opportunity to capitalise fully on the Olympics because employers had by then already recruited, or made plans to do so... A brief update in May reported "low outputs" and "lagging delivery" last year. Originally £1.5m was earmarked for it last year. That was revised to £570,000, but even then less than half was actually spent.

... Similar problems, to a lesser degree, have hampered the Host Borough project which the mayor promised would help 5,000 people from the boroughs closest to the Olympic Park back into work. It too was delayed and was then "re-profiled" when the 12-month sustained employment target proved too difficult.

An update in March this year recorded that this project was "below targets" and keeping people in work for six months was proving "challenging". Only £3.5m was spent out of last year's original £5m budget.

([London 2012: Olympics jobs legacy 'falls short'](#), BBC News, 9 August 2012)

A report by charity Community Links highlights the establishment of the Westfield Shopping Centre as a positive development for local employment:

Westfield Stratford City shopping centre was opened by the Westfield Group in September 2011, employing 8,500 people of whom 2,000 are local residents. It is the largest urban shopping centre in Europe and was designed to become not just a source of employment but a “lifestyle destination” for tourists and local residents. Westfield shopping centre was developed as part of the wider Stratford City development which will comprise hotels, schools, health centres and housing. The office development is expected to produce a further 1,100 new jobs. However, like the Olympic Park, this development will progress over the next 15 years, so many details have not been established.

([London 2012: a social legacy for East London?](#), Community Links, October 2012)

However, criticism has been levelled at the Westfield development, suggesting that it has pushed out local shops, with one article suggesting “the legacy of the Olympics for residents could prove negative, rather than just minor: retailers worry that the new shopping mall will eat into their business” ([‘Olympic Games’ Social Legacy Awaits Score](#), *New York Times*, 26 July 2012).

The London Assembly Economy, Sport and Culture Committee published a report in 2011, highlighting some of the challenges to meeting the aims of the Employment and Skills Strategy: [Review Into The Employment And Skills Opportunities Of The 2012 Games-Time Period](#) (London Assembly Economy, Sport and Culture Committee, July 2011). The Committee suggested that the recession and public sector funding cuts were major barriers to reaching employment targets in the host boroughs. It also suggested that the long-term unemployed people in host boroughs faced complex barriers to employment which were not being properly addressed. The Committee called for these people to receive intensive support from Jobcentre Plus.

4.3 Education

In 2009 the host boroughs published the [Strategic Regeneration Framework](#) (SRF), setting out targets for bridging the gap between the five Olympic boroughs and the London average across a number of social indicators. A progress report published in 2011 revealed a significant improvement in indicators of school attainment; in particular it found that “for key stage 2 and 5 GCSEs there has been steady progress over the last two years with the key stage 2 gap reducing to less than 2 percent and the 5 GCSEs gap reducing to 6.2 percent” ([Strategic Regeneration Framework Progress Report 2009-2011](#), Host Boroughs, 2011). However, the report found that there was still a major discrepancy in terms of skills between the host boroughs and the rest of London: the share of the working age population with no formal skills declined by only 0.8 percent between 2009 and 2011, and remains far below the London average. The share of the adult population with a degree or equivalent fell by 0.4 percent over the same period ([Strategic Regeneration Framework Progress Report 2009-2011](#), Host Boroughs, 2011).

The Centre for Cities has questioned whether hosting the Games can improve social equality, stating “even successful Olympic host cities, including Barcelona and Sydney, have struggled to use the Games to tackle social issues”. The report provides examples of previous host cities in which, it suggests, social inequality was exacerbated by hosting the Olympic Games:

In Barcelona 200 families were evicted for the construction of a ringroad around the city, while gentrification also changed social mix. Housing prices in Sydney were growing at 7 percent above inflation in the years prior to the Games. The number of homeless people tripled between 1992 and 1999. In Seoul 1988 over 200,000 street stalls were relocated prior to the Olympics, preventing the locals benefiting from tourist spend. Miles of walls were erected along the Olympic torch route to hide the slums from TV cameras.

([A Marathon not a Sprint? Legacy lessons for London](#), Centre for Cities, September 2012)

5. Future of the Olympic Park

The LLDC will determine the future of public spaces and facilities within the Olympic Park as well as some surrounding areas over which they have planning responsibility. The permanent venues in the Park will be run by third parties but overseen by the LLDC. Five permanent Olympic venues will remain in the Park and will be open to the public: the Tennis & Hockey Centres, the Stadium, the Aquatics Centre, the VeloPark, and the Multi-Use Arena. Admission costs have yet to be decided although it has been agreed that the Aquatics Centre will charge the same rate as local leisure centres.

The future of the Olympic Stadium is under discussion. The Government announced in 2011 that the Stadium would remain in public ownership, but that leasehold tenants would be sought ([‘Olympic Stadium - statement on future tenancy’](#), DCMS, October 2011). It has been reported that four bids have been submitted to use the Olympic Stadium, from football clubs West Ham and Leyton Orient, Intelligent Transport Services in association with Formula One, and UCFB College of Football Business ([‘Olympic Stadium: NFL in talks with mayor Boris Johnson’](#), BBC News, 31 October 2012).

6. Transport

The Department for Transport website summarises the legacy of the Olympic Games for the transport system:

Around £6.5 billion has been invested in upgrading and extending transport links. This means there will be a transport legacy that will benefit the country long after the Games have ended. Many of these upgrades are already complete and are benefiting people who live and work in London.

([‘Olympic Transport Investment and Legacy’](#), DfT website)

The webpage cites improvements such as: extra capacity on the Jubilee line with a signalling upgrade; extra capacity on the Central Line; a £125 million investment in Stratford station to treble capacity and increase accessibility at Stratford Regional Station; the new East London Line which opened in May 2010, linking 21 stations from Dalston Junction in east London to West Croydon and Crystal Palace in the south; a 2.6 km extension of the Docklands Light Railway from King George V to Woolwich Arsenal Station, and a further extension from Canning Town to Stratford International Station opened on 31 August 2011.

The webpage also comments on the provision of transport facilities for disabled people, stating “in March 2010 the Government Olympic Executive and the Office for Disability Issues published ‘London 2012: a legacy for disabled people’. It states:

The Department is contributing to this accessibility legacy by

- acting as a champion for Local Authorities to set up travel training schemes
- working alongside GoSkills to improve the disability awareness training of transport staff across transport industries (but particularly with regard to taxis)
- confirming the addition of three stations that will be important to Games-time transport to the Access for All programme, to be completed by 2012.

(‘[Olympic Transport Investment and Legacy](#)’, DfT website)

London Travel Watch published a report in September which comments on the transport legacy of the Games. It suggests that:

The undoubted consensus is that London’s transport network functioned extremely well during the period of the Games despite the fact that record breaking numbers of passengers used the public transport network and more services were provided.

([2012 Games Legacy for London Transport Users](#), 25 September 2012)

It suggests that the Government communications campaign which advised people to avoid using public transport because of crowding was over-cautious:

TfL acknowledged that in the first few days of the Olympics some of the messaging to users warning of disruption and overcrowding was not sufficiently targeted. There was a subsequent redressing of the balance of the message when it became apparent that it was not needed.

([2012 Games Legacy for London Transport Users](#), 25 September 2012)

7. Cultural Effects

Think tank British Future has published a report which claims that one aspect of the Olympic legacy will be a boost for the concept of multiculturalism, suggesting “Britain took pride in its best Olympic performance for a century, not just because of the record medal haul of 65 medals but because Team GB offered us a snapshot of the society that we are proud to have become” ([Team GB: How 2012 Should Boost Britain](#), British Future, August 2012). Parliamentarians have expressed similar sentiments, with former Olympics Minister Tessa Jowell saying “this summer we showed ourselves as we are at our best: a country of progressive values, with an inclusive and joyous patriotism which celebrated our open, diverse and tolerant society. It was a terrible summer for prejudice, intolerance and cynicism. Our modern Britishness so perfectly embodied. Mo Farah, a man from Somalia, wrapped in the union flag, as proud to be one of us as we are proud of him” ([Who claimed most credit for the Olympics?](#), *Guardian*, 10 October 2012). Prime Minister David Cameron has suggested that the Olympics celebrated the United Kingdom, saying “the Olympics showed us something else. Whether our athletes were English, Scottish, Welsh or from Northern Ireland... they draped themselves in one flag” ([Who claimed most credit for the Olympics?](#), *Guardian*, 10 October 2012). Other commentators have suggested that the Olympics promoted national pride (‘Games’,

Telegraph, 12 September 2012). It has also been suggested that the Olympic Games volunteering programme (the '[Games Makers](#)' programme) has encouraged more people to take up volunteering (['Keep the Flame Alive: volunteering charity sees surge in interest after Olympics'](#), *Telegraph*, 19 September 2012).

