



Japan Local Government Centre, London

Monthly Report for September 2011: London Briefing – Olympics, one year to go

Background: the road to 2012

The road to Britain's hosting the Olympics began with the Labour Party's General Election manifesto of 1997, which promised that a Labour Government would work to bring the Olympics to Britain. This followed failed bids by regional cities such as Birmingham and Manchester for the 1992, 1996 and 2000 Games, with the British Olympic Association (BOA) deciding in 1995 to focus future bids on London.

After its election, the Labour Government commissioned consultants Arup to undertake a feasibility study into a potential British bid for the 2012 Games, identifying the Lea Valley, an undeveloped area of East London, as the primary location for the Olympic Village and main facilities, with other events taking place elsewhere in the capital. Arup's study projected major regeneration gains for East London, with over 3,000 jobs created, £70m added economic growth and between £280-507m additional expenditure from tourism. The study also identified additional benefits such as future use of sporting facilities, cultural diversity and the promotion of sport among younger people.

In 2003, the Culture, Media and Sport Committee of the House of Commons argued in a report that it was "clearly desirable" that London should bid for the Games and Government support followed in May that year, with the Culture, Media and Sport Secretary announcing its intention to give political support to the bid. Public scrutiny of the bid was first made possible in February 2004 with the British Olympic Committee's response to the IOC questionnaire to candidate cities, with the IOC's report making a number of criticisms of London's public transport system, which has suffered from decades of under-investment.

The IOC visited London in February 2005 to inspect the proposed sites for hosting the Games, as part of the bid overseen by London 2012, a consortium set up on behalf of the UK government, the Greater London Authority (GLA) and the BOA to represent their combined interests. However, the Mayor of London alone was empowered to sign contracts on behalf of the three partners, such as the 'Host City Contract' agreed in Singapore when London's winning bid was announced in July 2005, with the UK government acting as guarantor of London's ability to stage the Games. London 2012 was wound up following the bid decision and in 2006 the government legislated for the London Olympic Games and Paralympics Act to establish the necessary agencies, budget and protections (copyright) to host the Games in 2012.

Staging the Games: one year to go

Winning the bid to host the Summer Olympics might have been London's last chance to open up an area, which has been continuously neglected since the onset of British industrialisation nearly 200 years ago. The area now populated by cranes erecting the last structures of the high-end, 2.5sq km Olympic Park used to be deeply contaminated by poisonous chemicals, gasoline, lead or tar and a patchwork of landownership preventing any large-scale attempt for urban renewal. The London organisers are trying to rejoin the two sides of the Lower Lea river valley in order to link it to the rest of the city by adopting an inclusive and integrated approach.

In terms of 'games readiness', London already outperforms most of the Olympics' prior hosts. According to the organisers and outside observers, the London Olympic site will be delivered ahead of time and under the revised budget of £9.3 billion. Construction started in May 2008 and a year before the opening ceremony, some 88 per cent of construction was completed according to the UK Sports and Olympics Minister Hugh Robertson.

The budget is made up from different income sources and totals the costs for staging the Games and building the necessary infrastructure in the London's East End. The operational costs are budgeted at £2bn and are solely funded from the private sector by a combination of sponsorship, merchandising, ticketing and broadcast rights and managed through the London Organising Committee of the Olympic and Paralympic Games (LOCOG).

In contrast, £7.3bn of public government money is mainly being used to build the Olympic Park, increasing public infrastructure and environmentally rehabilitating the surrounding Lea Valley. According to the Olympic organisers, from every pound of public money spent, 75 pence is being invested into the regeneration of East London.

According to a study published by Visa Europe, one of the London Olympics' sponsors, Britain will benefit from £750m of consumer spending during the seven weeks of London's Olympic and Paralympic Games next year.

A recent announcement made by the Olympic Delivery Authority (ODA), which oversees construction of the venues, stated that it had awarded contracts valued at more than £6bn with 98 per cent of which went to UK-based companies.

As the ODA reports, out of the about 10,000-plus people working on the Olympic Park and athletes' village since April 2008, about a quarter were from London's original five host boroughs and it has placed 1,500 people in work that were previously unemployed. In terms of private investment, the adjacent shopping mall built next to the Olympic Park, which is expected to be Europe's largest shopping complex with more than 300 shops, 17 theatre screens, hotels and office spaces, may provide additional jobs for up to 8,500 people.

Green legacy

Since its initial bid in 2003, London's primary focus and message for the 2012 Olympics has been to create the "greenest ever Olympics". It chose a handful of sustainability themes, trying to champion low carbon emissions, minimise waste and conserve biodiversity. So far, one million

cubic meters of contaminated soil have been cleaned, while an area of large parkland has been created around the Thames tributary River Lea with waterways dredged, proper transport links built and networks of high-speed cable laid.

The ODA has also been praised for having set new and ambitious environmental and energy standards for the construction industry in London. As a result, each Olympic venue might be at least 15 percent more energy efficient than existing requirements, with the Velodrome double that level, according to officials. On a whole, the Olympic Park is likely to become 50 per cent more carbon efficient than would be required by British regulatory standards.

However, the park redevelopment has been criticised by environmentalists for its lack of renewables. The pledge to supply 20 per cent of power from renewable sources fell short, after planning and technical complications meant abandoning a wind turbine plan, with renewables now likely to produce only 10 per cent of the energy needed.

In terms of wildlife, the Olympic Park will incorporate an area of about 45 hectares as protected habitat for hundreds of existing and rare species, from kingfishers to otters, and with a total of 525 bird boxes, and 150 bat boxes installed. With more than 4,000 trees and 300,000 wetland plants planted, the park will also exemplify the UK's largest ever urban river restoration project.

Venue legacy and re-use

To make sure that east Londoners are left with a substantial post-Games legacy, the Olympic Park Legacy Company (OPLC) is in charge of seeking operators for all aspects of the Olympic Park. The park will not only house the Olympic stadium and the press and broadcast centres, but also the swimming, cycling, handball and basketball facilities.

Trying to save money, the remaining sports will take place either in newly built but temporary facilities or they will re-use already existing arenas in other parts of the cities, such as the Greenwich Park for equestrian sports or Wembley Stadium for soccer. If anything, the use of existing facilities has allowed London to focus on the post-Games future and legacy for the buildings, trying to avoid 'white elephants' (the British expression for redundant facilities or objects) as has been the case in the past Summer Olympics, often leaving host cities with under-utilised facilities and tax payers frustrated for years.

While the OPLC has not yet achieved its goal, such as with finding a tenant for the Olympic park's media centre, some achievements have been made. A year to go before the start of the Games, a new anchor tenant for the £537m Olympic stadium has been found. London received competitive offers for the 80,000-seater from Premier League soccer team Tottenham Hotspur, but ultimately awarded it to soccer club West Ham United together with Newham Council, who promised to retain the running track allowing the stadium to also host track and field events in the future. Tottenham appealed against decision taken by OPLC because the West Ham bid included a £40m loan of public money from Newham borough council, which accordingly distorted the bidding process. The issue is likely to rumble on, back and forth, until the games are long over. Before being handed over to its new proprietor, the stadium's 55,000-seat upper tier will be stripped out

after the Games, with materials recycled or re-used, decreasing its capacity to merely 25,000 seats thanks to its flexible design.

The Olympics Aquatic Centre will be transformed into a community swimming pool for professionals as well as local schools and clubs, while the basketball arena will be dismantled and is being considered for reuse during the Chelsea Flower Show or the Glasgow Commonwealth Games in 2014. A particular site of pride for the Olympic organisers is the athletes' village with its 2,800 state-of-the-art apartments, featuring smart energy metering and high-speed cable. Once the Games finish in September 2012, one half will be converted into private estate and the other into government-funded council housing re-opening in summer 2013. In addition, new education facilities, health centres and a retail park are planned to open nearby.

At the nearby Stratford International train station, thanks to the Olympics a new high-speed rail link will eventually offer new connections to continental Europe. In addition, a new train service will connect the Olympic Park with St. Pancras station, while the Jubilee tube line, the Docklands Light Railway and bus services have already been extended, offering local residents better public transport into the rest of the city.

In line with mayor Boris Johnson's key political achievement of his first term in office, the city-wide roll-out of a public bicycle hire scheme, the hiring scheme is also planned to be installed in the park whilst at the same time restricting car access and parking space.

Community engagement, tickets and safety

As with every Olympics, local residents fear that they end up having to bear with the negative consequences of a mega-event so close nearby, such as rising rents, forced resettlements and a general hike in living costs and council taxes. In addition, local groups have protested the disappearance of green spaces, such as Hackney Marshes and Wanstead Flats.

Expressed by UK consumer groups, discontent also mounted over the mechanism adopted by LOCOG to allocate the 8.8m Olympic tickets. After two rounds of public ballot, only 850,000 individual applicants have been successful in securing more than 3.5m tickets, about 40 per cent of the total tickets, leaving still millions of sports fans and Londoners without any. While the goal is to get as many members of the British public to the Games as possible, it might end up as a disappointing experience for the majority.