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London 2012: the story so far

CLES BULLETIN





Introduction

In July 2005 after a period of consultation, masterplanning and competition London was awarded the right to host the 2012 Olympic Games. As well as offering the opportunity to host a world class sporting event and receive the associated spin off benefits in terms of media profile and tourism, the Games also presents the opportunity for positive physical, economic, social and environmental regeneration and enhanced partnership activity. It is this area of regeneration and partnership activity that this bulletin will focus upon. The purpose of this bulletin is four-fold:

- ❑ First, it aims to look at some of the generic potential physical, economic, social and environmental regeneration benefits of London hosting the 2012 Olympic Games;
- ❑ Second, it aims to highlight progress to date in Olympic Games activity in London;
- ❑ Third, it aims to assess some of the partnership and networking activity that is beginning to emerge as a result of the Olympic Games;
- ❑ Fourth, it aims to conclude by assessing what more could be done to ensure that the London 2012 Olympic Games bring maximum benefit in regeneration and partnership terms.

Context to the Lower Lea Valley

The London 2012 Olympic Games is a major opportunity to assist and develop ongoing regeneration and partnership activity in the London Boroughs of Hackney, Tower Hamlets, Newham, Waltham Forest and Greenwich. The area collectively known as East London or the Lower Lea Valley has a recent history of economic restructuring and associated deprivation. Many neighbourhoods and communities have failed to recover from the legacy of the closure of the London docks and associated unemployment. Communities have also not adapted or been considered by regeneration and employment practitioners in skills, training, employment and lifestyle terms in the development of Canary Wharf in the 1980s. The Urban Development Corporation and its associated physical regeneration activities has failed to produce the 'trickle-down' effects expected for local people. In addition to this legacy

of previous regeneration activity, East London and the Lower Lea Valley has a number of other physical, economic, social and environmental problems.

Physical

The Lower Lea Valley is one of the most difficult places in the United Kingdom to navigate across. Neighbourhoods and communities are separated by a series of physical barriers such as major roads, railways, rivers and canals which disrupt everyday activity of local people and also social interaction between neighbourhoods. The situation is not helped in some places by unhelpful and uncoordinated transport infrastructure which means communities are often unable to access employment opportunities fairly close to their doorstep. The fragmented nature of the Lower Lea Valley means that whole communities have become isolated and further deprived as a result of poor service provision and poor connectivity.

Economic

The Lower Lea Valley is characterised by areas of low quality industry and associated high percentages of unemployment, worklessness and low incomes. Whilst the Newham unemployment rate is for example around the 8% mark, above the national and London average, it is in the deprived areas such as Canning Town where the greatest pockets of unemployment can be found. In some wards the unemployment rate is upwards of 30%. Therefore as a result of the industrial heritage of the Lower Lea Valley and the current focus currently in many areas on low value industrial units there is limited fit between the skills of local people and the employment opportunities available. Poor industry and low value employment has knock-on effects on for example housing choice and affordability.

Social

There is a strong correlation between deprivation and the concentration of Black and Minority Ethnic Groups. Hackney, for example is home to an unusually high proportion of very poor people, many of them new to this country and with very basic English language skills. Inevitably, being very deprived contributes to accessibility to skills, employment and housing. A further social factor in the Lower Lea Valley is crime with each of the five



London authorities experiencing high crime rates when compared to the national average.

Environmental

The Lower Lea Valley despite having areas of green land is generally very bleak with many of the green spaces being avoided as a result of fear of and actual crime. The area also suffers from the legacy of its industrial past in terms of a series of under-utilised waterways. The majority of these waterways are largely redundant and now form corridors of dereliction linking the backs of derelict development.

The Potential Regeneration Benefits of the London 2012 Olympic Games

The famous lessons learnt from the Olympic Games of Barcelona and Sydney suggest that winning, developing and hosting the Games can contribute to and deliver extensive regeneration and renewal. The successful London 2012 Olympic Games bid was built on providing a legacy of physical and community regeneration for the people of the Lower Lea Valley and beyond. The section below highlight the types of regeneration the Games are likely to foster in physical, economic, social and environmental terms.

Physical

The physical regeneration activities the London 2012 Olympic Games could provide include:

- ❑ **Defragmentation** – the Games have the potential to deliver a whole swathe of integrated, new mixed development across the Lower Lea Valley, joining up the currently fragmented area with a series of new transport links and pedestrian walkways.
- ❑ **New Housing** – the Games have the opportunity to contribute to the wider housing growth of London and the South East through a range of new housing developments as well as the redevelopment of the Olympic Village once the Games are over.
- ❑ **Accessibility** – the Games have the opportunity to connect both communities of the separate sides of the Lower Lea Valley and those communities with the rest of London through new and more integrated transport infrastructure.

- ❑ **Community Sporting Facilities** – the Games through remediation and redevelopment present the opportunity for a whole new physical sporting environment in the Lower Lea Valley. New sporting facilities could lead to a host of further community benefits and recreational activities.

Economic

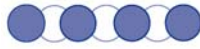
The economic regeneration benefits the London 2012 Olympic Games could provide include:

- ❑ **The Construction Industry** – London and the South East is a major area of construction growth. The Olympics and wider regeneration processes such as the Thames Gateway provides an opportunity to develop the construction trade and make it a trade which young people aspire to gain qualifications and careers in.
- ❑ **Job Creation** – the Games have the potential to provide a number of direct and indirect jobs for the communities of the Lower Lea Valley. Directly, hosting the Games is expected to generate in excess of 12,000 new jobs. Indirectly, through raising the reputation of the Lower Lea Valley the Games could bring an upsurge in inward investment activity.
- ❑ **National Economic Development** – the Games is not just for London but for the UK. With key events such as Sailing and Football to be held outside of London, the economic and regeneration benefits could be spread across the country.

Social

The social regeneration benefits the London 2012 Olympic Games could provide include:

- ❑ **Community Development** – the Games offer the opportunity for the communities of the Lower Lea Valley to be brought together and become involved in their own personal futures and in the places in which they live. The use of the Olympics as a sporting event can also have the ability to shape the futures of young people.
- ❑ **Pride of Place** – the Games provide the opportunity to market the Lower Lea Valley as a place where people aspire to live and work and to raise sense of place and identity.
- ❑ **Community Engagement** – the Olympic Games is very much about the involvement of local



people and communities at every stage. There is an opportunity for communities to be involved at the highest level and for communities to have a real say in the future of the Lower Lea Valley.

- ❑ **Reversal of Perceptions** – the Games present the opportunity for much of the stigma and negative perceptions of the Lower Lea Valley to be removed. In order for this stigma to be removed however, there needs to be a concerted effort to include communities at all stages, from construction to access to employment to benefiting from skills and training opportunities.

Environmental

The environmental regeneration benefits the London 2012 Olympic Games could provide include:

- ❑ **Green Space Development** – the Games present the opportunity to drastically improve the environment of a very polluted and contaminated site. Improving the environment could enhance quality of life of local communities and increase the attractiveness of the Lower Lea Valley for investment.
- ❑ **Pedestrianisation** – the onus in terms of the London Olympic Games and transport is one very much of reducing car use and encouraging travel to and from the Olympic venues by public transport and on foot. A focus on pedestrianisation could provide a lasting connection and public space between all areas of the Lower Lea Valley.

Progress in Matching the Regeneration Potential of the London 2012 Olympic Games

The above section has provided an overarching view of some of the regeneration benefits the London 2012 Olympic Games has the potential to deliver. The section below looks at each of the areas of physical, economic, social and environmental regeneration in turn and assesses the extent to which regeneration example activity is taking place and moving along as expected.

Physical

The Olympic Games legacy masterplan produced by the London Development Agency in partnership

with the 5 London Olympic Boroughs and architects indicated that the London 2012 Olympic Games and the legacy proposals would result in the region of 9400 new homes with the objective of up to half of these being affordable. In the 2 years that have moved on since the design of the masterplan, a number of concerns have emerged particularly about the extent to which housing provided by the Games will be affordable. There is particular concern that the Olympics will lead to more luxury houses in the Lower Lea Valley, which will not be affordable to local people in the Lower Lea Valley. There are also concerns about the size and tenure of proposed new housing resulting from Olympic Games activities. The design of the new-build needs to be appropriate for families as well as professional individuals and couples. This was not the case with Canary Wharf, which led to gated communities and those without a diverse social mix. With regard to affordable homes, the legacy proposal to ensure 50% of all new housing is affordable has already been reduced to about 30%. However, a third of these affordable homes will fall under the affordable Home Ownership Scheme, which remains out of the reach of the most deprived people within the Lower Lea Valley.

A further physical regeneration issue that has emerged in the last couple of years surrounds the legacy of the Olympic facilities and the extent to which they will remain for community use. The initial legacy plan indicated that facilities would be changed according to local requirements to serve as sport and recreation venues or transported to other parts of the country. The legacy of particularly the Olympic Stadium and the Aquatics Centre is far less certain and there is a need for commitments from local authorities and other local partners to start to think about how facilities will be run after the Games in order to ensure maximum community benefits.

Economic

Perhaps the most contentious part of the Olympic Games process in London to date has surrounded the local economy and in particular local business development and local employment opportunities. In terms of local businesses, there is real concern over the future of some 300 companies that are located in the Marshgate Lane area, which straggles



the boundaries of the authorities of Hackney, Tower Hamlets, Newham and Waltham Forest. These businesses are located on land owned predominantly by the London Development Agency and are the location of the main Olympic facilities. These companies, many small in scale are being forced to move out of the area, which represents a major risk in cost and market terms. Where Compulsory Purchase of land is taking place there are also major concerns that the value of land is being grossly under-estimated. A further local economic concern surrounds construction and the Olympic Procurement Strategy. There are few guarantees that the contracts for the building of Olympic facilities will go to local construction companies and local workers.

Related to the above point about construction contracts, there is also need for guarantees with regard to employment opportunities for local people. Legacy proposals suggest that the Games will produce around 12,000 jobs for local people. There are a number of concerns about whether this figure will be achievable and whether the jobs will be of the quality or of the pay sufficient for local people. There are also concerns about whether promises over access to skills and training will be met. For example, one of the key plus points of the original bid was to develop a construction academy. This plan does not appear to have materialised as do plans for a 'living wage' for Londoners as advocated by community organisation London Citizens. There is a belief among many local stakeholders that the Olympic Delivery Authority and the London Development Agency have backtracked on a number of their promises.

Social

The London 2012 Olympic Games was promoted as having a number of social and particularly community benefits. To date however, the extent to which these benefits are likely to be realised is uncertain. Whilst centrally, the Government indicate that the Olympic Games will raise aspirations to become athletes, they are contradicting this vision in other areas of policy, notably around the closure of school playing fields. Additionally in educational terms and as indicated above plans for a construction academy have been

shelved. The plans have changed as a result of the changing emphasis of the Olympic Procurement Strategy and of the emphasis being placed on supporting existing colleges and universities. The actual quality of the Games for the UK in competitive terms is also increasingly in doubt with funding being reduced, thus creating a barrier for the participation of many young athletes. Further work also needs to be put in place in the most deprived neighbourhoods of the Lower Lea Valley to ensure that the maximum community benefit is realised from the London 2012 Olympic Games. Assumptions regarding the social impacts of the Games need to be put into practice.

Environment

The area in which the London 2012 Olympic Games will take place, the Lower Lea Valley has been branded as an industrial wasteland in need of physical and environmental regeneration. The London Wildlife Trust have however claimed that this perception does not apply to the entirety of the Lower Lea Valley and that areas of the Olympic site are already made up of green open spaces and wildlife habitats. They claim that construction activities could hinder rather than benefit environmental activities in some areas of the Lower Lea Valley.

London 2012: An Opportunity for Partnership

The London 2012 Olympic Games has opened up a series of opportunities for joint and partnership working between central, public, private and voluntary and community sector organisations within East London. The purpose of this section is to highlight the organisations and bodies, which are working together to develop and deliver the 2012 Olympic Games and associated regeneration activity.

Olympic Delivery Authority

The Olympic Delivery Authority (ODA) has been designed to be the single delivery body responsible for creating the infrastructure for the Olympic and Paralympic Games, as well as undertaking some operational work while the Games are underway, such as the provision of transport. The ODA are working with a broad range of stakeholders, such as local communities, local authorities and the



Urban Development Corporation for the Thames Gateway, as well as bodies delivering wider projects, which are important to the Games, such as the East London Line. The ODA has particular responsibility for:

- ❑ All Olympic Park infrastructure and site preparation including the Olympic Village;
- ❑ Building new permanent venues;
- ❑ The building of relocatable arenas;
- ❑ Olympic Transport projects;
- ❑ Permanent works to existing sports venues;
- ❑ Olympic Park venue legacy conversion.

Joint Planning Authorities Team

The Joint Planning Authorities Team was established to process five initial planning applications submitted to the London Development Agency in January 2004. The four Local Planning Authorities of Hackney, Newham, Tower Hamlets and Waltham Forest formed it in partnership with the London Borough of Greenwich and the Greater London Authority. The role of JPAT has gone beyond work on the Olympic Games however and is seen as an effective model of cross authority collaboration and partnership. The Olympic Delivery Authority has since superseded JPAT with regard to planning proposals for the Olympic Park. They have set up a dedicated Planning Decisions Committee made up of local councillors and planning experts and a Planning Decisions Team of town planners, drawn from the ODA's own staff, and staff on loan from the five London Olympic Boroughs.

London Development Agency

The London Development Agency (LDA) has a key role to play in all stages of the Olympic process and the wider regeneration issues facing the whole of London. The LDA has several roles to play in the Olympic process including in funding terms, but most notably in land assembly and decontamination terms.

London 2012 Organising Committee

The London Organising Committee of the Olympic Games and Paralympic Games is responsible for the preparation and staging of the 2012 Games. The organising committee is particularly responsible for most of the contracts for services to deliver and run

the Games, with procurement for contracts starting in 2009.

London Thames Gateway Development Corporation

A key partner in the Olympic Games and wider regeneration process of East London is London Thames Gateway Development Corporation. It is the key government agency responsible for delivering social and economic growth to transform the London Thames Gateway, part of Europe's largest regeneration project. It has significant powers to effect change, by helping to improve the prospects for new homes, jobs, services and environmental improvements for local people.

Transport for London

Transport for London is seen as a key infrastructure partner in the development of the London 2012 Olympic Games. East London has traditionally been seen as the most disconnected part of London. With the extension of the East London line and plans for a Crossrail system Transport for London has a key strategic and delivery role to play in preparing for and delivering the London 2012 Olympic Games.

The Department for Culture, Media and Sport

The DCMS provide the link between central government and local authorities and delivery partners working on delivering the 2012 Olympic Games. The DCMS also has a role to play in ensuring that the maximum physical, economic, social and environmental benefits are reaped from the Games and in particular how the benefits are being felt locally in jobs and skills terms.

Local Authorities and Local Strategic Partnerships

The Olympic Delivery Authority has a key role to play in ensuring that they work effectively with the five London Boroughs in which the Olympic Games will take place in order to ensure that delivery and legacy plans are effectively adhered to. Local Strategic Partnerships are particularly important in ensuring that all local partners are involved and that maximum benefits across a range of themes are delivered. This ensures that government agencies such as Job Centre Plus and the Primary Care Trusts and importantly the voluntary and



community sector are effectively involved in the process.

Concluding Thoughts

This bulletin has highlighted that although it is only early days in the London 2012 Olympic Games delivery process, there are a number of concerns about whether delivery will reap maximum regeneration benefit in physical, economic, social and environmental terms. There are particular concerns over the extent to which the Olympic Procurement Strategy will deliver tangible contracting opportunities for local businesses and employment and skills development opportunities for local people. CLES believes that the Olympic Delivery Authority and the myriad of partners identified above need to think about a number of factors to ensure progress is made:

- ❑ They need to honour the commitment made in the bid to ensure that the Games bring effective and genuine regeneration. Regenerating the Lower Lea Valley physically, economically, socially and environmentally should remain the core objective of the Games.
- ❑ Leading on from this they need ensure that regeneration activity and outputs and outcomes are effectively measured, monitored and reported upon.
- ❑ They need to clarify sources of funding for delivering the Olympic Park and ensure that this funding does not come at the expense of deprived communities elsewhere in the UK. The Comprehensive Spending Review of 2007 should clarify funding aspects of the Olympic Games delivery.
- ❑ They need to clarify the legacy for the Games in regeneration terms and ascertain the communities and neighbourhoods most likely to benefit.
- ❑ They need to consider further the views, concerns and ideas of local partners, people and organisations.

For further information on the London 2012 Olympic Games and regeneration activity, please contact:

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