DCMS aims to improve the quality of life for all through cultural and sporting activities, to support the pursuit of excellence and to champion the tourism, creative and leisure industries.
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In total, 2,250 trainees and apprentices will work on the Olympic Park and Olympic Village.
Despite the global economic downturn, the London 2012 Olympic and Paralympic Games continue to be delivered on schedule, within budget, and with record levels of confidence in the London 2012 Games.

Some people predicted enthusiasm for the Games would dip once memories of TeamGB’s performance at Beijing 2008 died away. However, latest polls show that public interest remains undimmed.

With more than two and a half years to go until London 2012, all the milestones to date for the Olympic build have been hit, almost half of the construction programme has been completed, and the transformation of East London is well underway.

Seventy five pence of every pound spent on the build is going towards regenerating what is one of the most deprived parts of the country. The physical change will also leave a powerful legacy for local communities and for the city as a whole – from world-class sporting venues to brand new health and education facilities, and from more than 10,000 new job opportunities, across a range of sectors, to as many as 15,000 new homes.

Overall, London 2012 legacy plans are far more advanced than for any previous Games and the benefits are already being felt right across the country.

In a tough economic climate, business opportunities linked to London 2012 have proven vitally important. So far more than 1,000 companies have won over £5 billion worth of direct contracts from the Olympic Delivery Authority (ODA), creating thousands more business opportunities down the supply chain and helping to support employment nationwide.

Ninety eight per cent of ODA contracts have been awarded to UK companies, nearly half of which are outside London. One typical project – the wave-shaped design of the Aquatics Centre roof – was manufactured by a business in Newport, using steel fabricated in Gateshead, Motherwell, and Scunthorpe. Meanwhile companies from at least nine nations and regions of the UK are involved in the construction of the Basketball Arena, including those from Glasgow, Dungannon, Bristol and Bolton.

London 2012 is providing a timely investment in jobs and skills. More than 9,000 people are now working on the Olympic site, while 2,250 trainees will pass through dedicated local training centres and as many as 20,000 training places will be on offer over the next five years.

2009 has also seen real progress towards our goal of harnessing the inspirational power of the Games to get the whole country more active. Our Free Swimming scheme produced more than 10 million free swims in its first six months and, by September 2010, our target of offering five hours’ sport per week to under-16s will be on offer in every school sports partnership in England.

All this progress means that we can look ahead to the challenges of 2010 with confidence and optimism – but never complacency.
“We were deeply impressed by the progress made in the construction of the different venues. We had an excellent presentation and our experts were convinced that we will achieve our target. We can confirm that London 2012 is on the right track.”

Denis Oswald, Chairman, International Olympic Committee (IOC) Coordination Commission, April 2009
“The award of this contract gives us a massive boost in times of such economic uncertainty. What’s more, we’re privileged to be part of the 2012 Olympics and eager to see this vision realised.”

John Dalton, Managing Director of Base Structures Ltd

“We are confident Team GB will deliver an outstanding performance, cheered on by the home crowd.”

Colin Moynihan, Chair of the British Olympic Association

“When you hear about the London 2012 Games, you don’t think about how much work and effort is involved to make sure everything runs smoothly. I’ve definitely learnt a lot and I have found this experience fun and exciting.”

Patience Mungozi from Action for Children, on work experience at the Government Olympic Executive

“79 per cent of the public are confident we will host a successful Games – reflecting an increase in support from 2007 and 2008.”

Aerial view of the Olympic Stadium in November 2009.
### London 2012 – who does what

<table>
<thead>
<tr>
<th><strong>The Government Olympic Executive</strong></th>
<th><strong>The London Development Agency</strong></th>
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<tr>
<td>The GOE has been set up within the Department for Culture, Media and Sport (DCMS) to oversee the entire London 2012 project, ensuring that it is delivered on time, on budget, and represents value for public money.</td>
<td>The LDA is responsible for delivering and maximising the long-term sustainable benefits of the Games for London’s communities and economy.</td>
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<tr>
<th><strong>The London Organising Committee of the Olympic Games and Paralympic Games</strong></th>
<th><strong>The British Olympic Association</strong></th>
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<tbody>
<tr>
<td>LOCOG is the private company responsible for staging the London 2012 Games.</td>
<td>The BOA prepares and leads our nation’s finest athletes at the Olympic Games and is responsible for developing the Olympic Movement throughout the UK.</td>
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<tr>
<th><strong>The Olympic Delivery Authority</strong></th>
<th><strong>ParalympicsGB</strong></th>
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<tr>
<td>The ODA is a non-departmental public body (NDPB) responsible for building the permanent venues and infrastructure needed for the Games.</td>
<td>ParalympicsGB is responsible for selecting, preparing, funding and managing Britain’s teams at the Paralympic and winter Paralympic Games.</td>
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<tr>
<th><strong>The Mayor of London</strong></th>
<th><strong>The Olympic Board</strong></th>
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<tr>
<td>The Mayor of London leads on delivering the legacy of the London 2012 Games for London and ensuring that people across the capital benefit from London’s role as the Host City. He is also responsible for ensuring the smooth running of London during Games-time whilst also delivering an outstanding 2012 experience for residents and visitors.</td>
<td>The Olympic Board is co-chaired by the Minister for the Olympics and Paralympics and the Mayor of London and is responsible for coordinating the successful delivery of the Games and its legacy. Other members are the British Olympic Association chairman, Colin Moynihan, and the London 2012 Organising Committee Chair, Sebastian Coe.</td>
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<tr>
<th><strong>The Olympic Park Legacy Company</strong></th>
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<td>The OPLC is a not-for-profit company responsible for the long-term planning, developing, managing and maintenance of the Olympic Park.</td>
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</tbody>
</table>
“We are already reaping the benefits from a massive capital investment programme to build the venues and infrastructure.”

Gordon Brown, Prime Minister, September 2009
The numbers

£9.325bn
The public sector funding package for the Games, announced in March 2007

£6bn
Worth of contracts to be directly procured by the ODA and LOCOG between them

6,277
People currently working for contractors on the Olympic Park

7.7 million
Tickets available for the 2012 Olympic Games

9,164
People working on the Olympic Park and Olympic Village

98
Percentage of ODA suppliers who are based in the UK

800,000
People expected to use public transport to travel to the Games on the busiest day

4 billion
People round the world will watch London 2012

25,000
People could be transported to and from Stratford International Station each hour on the Javelin train from St Pancras International station, in less than seven minutes

5
The Olympic Stadium will be five times bigger than the Houses of Parliament
## Our progress so far

<table>
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<tr>
<th>Date</th>
<th>Milestone</th>
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<tr>
<td><strong>July 2005</strong></td>
<td>The UK is awarded the 2012 Olympic and Paralympic Games&lt;br&gt;First dedicated Olympic Lottery game, 'Go For Gold', launched</td>
</tr>
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<td><strong>March 2006</strong></td>
<td>London Olympic Games and Paralympic Games Bill receives Royal Assent&lt;br&gt;Record public sector investment of £500m for elite sport</td>
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<tr>
<td><strong>April 2006</strong></td>
<td>First construction project begins – to move powerlines underground</td>
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<td><strong>October 2007</strong></td>
<td>Planning permission secured for the Olympic Park, one of the biggest planning applications in European history</td>
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<tr>
<td><strong>January 2008</strong></td>
<td>International Inspiration launched – £9m investment</td>
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<tr>
<td><strong>March 2008</strong></td>
<td>LOCOG launches its 'Pre-Games Training Camps Guide' with around 640 venues and facilities throughout the UK selected as possible training camps for 2012</td>
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<td><strong>May 2008</strong></td>
<td>Construction begins on the Olympic Stadium, ahead of schedule</td>
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<td><strong>June 2008</strong></td>
<td>Government launches its £140m Free Swimming Programme to boost sport and fitness</td>
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<td><strong>July 2008</strong></td>
<td>Construction begins on the Aquatics Centre, ahead of schedule</td>
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<tr>
<td><strong>August 2008</strong></td>
<td>TeamGB wins 47 medals at the Beijing 2008 Olympic Games, finishing fourth in the medal table&lt;br&gt;VISA London 2012 Party on the Mall with 40,000 people and five million viewers&lt;br&gt;33 Live Sites, over 700 2012 Handover Flags raised across the UK</td>
</tr>
<tr>
<td><strong>September 2008</strong></td>
<td>ParalympicsGB wins 102 medals at the Beijing 2008 Paralympic Games, finishing second in the medal table&lt;br&gt;5,000 schools sign up for launch of 2012 Education Programme and celebrate Paralympic Handover&lt;br&gt;Cultural Olympiad launches with Open Weekend – over 650 events take place across the UK</td>
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<tr>
<td><strong>October 2008</strong></td>
<td>Annual School Sport Survey shows that 90 per cent of 5-16s are doing two hours or more of PE and sport a week</td>
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<tr>
<td><strong>November 2008</strong></td>
<td>Money raised from dedicated lottery games reaches £375m, halfway to our target of £750m&lt;br&gt;78 per cent of site-wide preparation works complete&lt;br&gt;Sailing facilities at Weymouth and Portland Harbour are the first venues to be completed, ahead of schedule and to budget</td>
</tr>
<tr>
<td><strong>December 2008</strong></td>
<td>Overhead electricity pylons removed from the Olympic Park – a £250m project completed on time and to budget&lt;br&gt;Sport England (SE) invest £480m in National Governing Bodies</td>
</tr>
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2009 milestones

January 2009

Halfway point between being awarded the Games and Opening Ceremony

May 2009

The Olympic Park Legacy Company (OPLC) is jointly established by the Government and the Mayor of London to deliver the legacy vision for the Olympic Park site

July 2009

The II Foundation is established to deliver the International Inspiration Programme, which aims to reach 12 million children around the world, to transform lives through the power of high-quality and inclusive physical education, sport and play

October 2009

The Government, the Mayor of London and leaders of the five Host Boroughs sign up to the ambition to close the socio-economic divide between the five Host Boroughs and the rest of London within 20 years

November 2009

The wave-shaped Aquatics Centre roof is successfully lifted and lowered into place

November 2009

Her Majesty The Queen visits the Olympic Park and plants the first of 4,000 trees to be planted
27 July 2009 and 29 August 2009 marked the milestones of three years to go before the Opening Ceremony of the Olympic Games and the 2012 Paralympic Games. The days were marked with a number of special events including, for the first time, a tour of the Olympic Stadium, given to members of the public.

Over 850 London 2012 Open Weekend events take place across the UK.

One thousand days to go until the Opening Ceremony of the Olympic Games.

A new Apprentice Hub opens to support 120 apprentices from contractors working on the London 2012 Olympic Park.

The foundations of the London 2012 Handball Arena are complete and the first parts of the venue have been built above ground.

The Government announces a further ambition – that the Games will help to transform the life experience of disabled people.
2009 has seen tremendous progress towards achieving London 2012’s ambitions in build, staging and legacy.
Our progress in 2009

Summary

Throughout 2009 we continued to make ground-breaking progress towards delivering an ambitious Games for London in 2012.

The Big Build remains on time and within budget and the ODA has hit all of its build milestones to date, including the lowering into place of the Aquatics Centre roof.

By the end of 2009, 9,164 people were employed on the Olympic Park and Olympic Village. Twenty per cent of the Olympic Park workforce were resident in one of the five Host Boroughs, for example, against a target of 10-15 per cent. Meanwhile, 11 per cent had previously been unemployed, exceeding our seven per cent target.

The business benefits of the Games have already spread right across the UK. By the end of 2009, the ODA had directly awarded more than 1,000 contracts worth more than £5bn, creating thousands more business opportunities along the supply chain.

Beyond the economic benefits being felt, 2009 also saw the Government continuing to deliver on programmes that will have a lasting effect far beyond 2012.

The establishment of the Olympic Park Legacy Company earlier in the year marked the first time ever that a host has had a legacy company in place before the Games.

2009 has also seen real progress towards our goal of using the Games to get the country more active. Our Free Swimming scheme produced more than 10 million free swims in its first six months and, by September 2010, our target of offering five hours’ sport per week to under-16s will be on offer in every school sports partnership in England.

It is progress which proves that we have adapted effectively to the changing demands of the downturn without affecting the overall budget and without lowering the level of our ambition.
Building the Games

Progress against milestones

To ensure transparency and accountability, the Olympic Delivery Authority (ODA) sets out in advance the milestones it plans to achieve for different phases of the project.

The ODA has hit all of these milestones to date, with the most recent Big Build milestones, announced in July 2009, expected to be complete by 27 July 2010.

2009 progress on the Olympic Park

Olympic Stadium

Progress: The Olympic Stadium’s external structure is now complete and all of the steel sections for the roof support in place. In December, the cable-net roof was lifted into place and lighting towers are currently being assembled on site, ready for installation. The 700 rooms inside the Olympic Stadium are being fitted out.

During the Games: The Olympic Stadium will have a capacity of 80,000 during the Games. Its innovative design means the upper tier can be dismantled following the Games.

After the Games: There is considerable interest and enthusiasm in the future use of the Olympic Stadium. In light of this, the Olympic Park Legacy Company are examining a number of options to help secure the future viability of the stadium, while taking account of the legacy commitments made in terms of athletics and community use.

Aquatics Centre

Progress: The Aquatics Centre steel roof, 160 metres long and weighing more than 3,000 tonnes, has been lifted off temporary supports and lowered into its final position. This iconic wave-like structure now sits on three permanent concrete supports.

During the Games: The Aquatics Centre will have capacity for 17,500 spectators.

After the Games: The Aquatics Centre will be transformed into a facility for the local community, clubs and schools, as well as elite swimmers. The two temporary wings will be removed, leaving 2,500 seats – and it will be possible to increase the capacity to 3,500 for major competitions.

Velodrome

Progress: The lower-tier seating steel and concrete terracing units have been installed, and the structural steelwork, which will support the double-curved roof, has been finished. The structure of the 360-degree concourse level, which will divide the upper and lower level seating, is also complete. The venue will be fully covered by summer 2010.

During the Games: The Velodrome’s concrete lower tier will have 3,500 seats located around the track. A further 2,500 seats will be located in two upper tiers within the two curves of the venue’s roof.

A BMX Circuit will be built alongside the Velodrome.

After the Games: The temporary seating for the BMX Circuit will be removed and the track reconfigured. A new mountain bike course and road cycle circuit will be added to create a VeloPark for the local community, sports clubs and elite athletes.

Olympic Village

Progress: The structure of the Olympic Village’s first residential blocks was completed in October 2009 and the majority of homes will be structurally finished by summer 2010. Work on the Chobham Academy site, a world-class education campus, has started. Major infrastructure works, including utilities, tunnels and bridges, are also on schedule to be completed by summer 2010.

During the Games: The Olympic Village will comprise residential apartments for around 17,000 athletes and officials.

After the Games: The Olympic Village will provide essential new housing for East London. It will be transformed into 2,800 new homes, including 1,379 affordable homes.
International Broadcast Centre/ Main Press Centre (IBC/MPC)

**Progress:** The 4,500 tonne steel structure of the IBC offices and studios was finished in November 2009 and the roof lining, flooring and cladding is nearly complete. The frame and ramps for the multi-storey car park are already in place.

**During the Games:** The IBC/MPC will be a 24-hour media hub for around 20,000 broadcasters, photographers and journalists – bringing the Games to an estimated four billion people worldwide.

**After the Games:** After the Games the facilities will create more than 80,000 sq m of business space with the potential to generate thousands of new jobs.

Handball Arena

**Progress:** The foundations of the arena were completed in 2009. Following the completion of a 300 tonne concrete slab, 30 concrete walls, pre-fabricated in Northern Ireland, are on schedule to be lifted into place. Work is currently underway in Bolton on the fabrication of the steel frame.

**During the Games:** The Handball Arena has capacity for 7,000 spectators. It will also be the venue for the Fencing discipline of the Modern Pentathlon. In the Paralympic Games it will be the venue for Goalball.

**After the Games:** The Handball Arena will be adapted to become a multi-use sports centre for community use, athlete training and small- to medium-sized events.

Basketball Arena

**Progress:** Preliminary work to prepare the site for construction has started, with work on the main Basketball Arena structure due to begin in spring 2010.

**During the Games:** The Basketball Arena will be one of the largest temporary venues built for any Games. It will also house the finals of the Handball competition. It will be located in the north of the Olympic Park near the Velodrome and BMX Circuit.

**After the Games:** The Basketball Arena will be taken down after the Games. Parts of it are expected to be reused or relocated elsewhere in the UK.
Eton Manor

Progress: Work will begin on the multi-use Eton Manor venue in spring 2010.

During the Games: Eton Manor will have temporary training pools for participants in aquatics events. It will have three 50m pools for swimmers, and smaller pools for Water Polo and Synchronised Swimming.

The venue will then host Wheelchair Tennis during the Paralympic Games. There will be nine competition courts and four warm-up courts. The total of 10,500 seats for spectators will include a 5,000-capacity show court.

After the Games: It is intended that Eton Manor will be transformed into a unique mix of sporting facilities for local and regional communities, including a tennis centre with four indoor and six outdoor courts.

Primary Substation

Progress: The Primary Substation will help to supply electricity to the Olympic Park and the new Stratford City development. It was the first building on the Olympic Park to be completed, and was switched on in October 2009.

During the Games and after the Games: The Primary Substation is part of a wider utilities network of gas, water, electricity, telecommunications and sewage which provides a ‘backbone’ for the long-term development of the area.

Energy Centre

Progress: The steel frame and concrete floors for the Energy Centre, which will provide clean and sustainable electricity and heating for Olympic Park venues, are complete.

During the Games: The Energy Centre will provide power, heating and cooling system across the Olympic Park for the Games.

After the Games: The Energy Centre will provide power, heating and cooling system across the Olympic Park for the new buildings and communities that will develop after 2012.

Parklands

Progress: The first of 4,000 trees have been planted as part of the development of the Olympic Park’s green spaces and parklands. More than 300,000 wetland plants are being grown in Norfolk and planting in the Olympic Park will begin in spring 2010.

The Parklands and Public Realm project will map the setting for the entire Olympic Park, shaping the landscape and directing the flow of visitors to and from all venues.

Bridges

Progress: Construction work is complete or underway on 21 of the 30 new Olympic Park bridges. Decks are in place for the 250 metre-long by 40 metre-wide footbridge which will be the main entry point to the Olympic Park. All five bridges connecting the Olympic Stadium ‘island site’ to the surrounding area have already been lifted into place.

During the Games: The bridges will create essential links between all sites of the Olympic Park.

After the Games: The bridges will connect the new communities that will surround the Olympic Park, with each other, as well as providing links to existing communities, the parkland and venues.
Stratford Regional Station

**Progress:** The floor and roof panels of the new upper-level entrance are now in position and passengers are already using the first of the new lifts.

**During the Games:** This will be the main gateway station to the Olympic Park.

**After the Games:** The improvements to the station will support the growing local community long after the Games. It is estimated that the number of passengers using the station each morning will double to 83,000 by 2016.

Stratford International Station

**Progress:** The new high-speed domestic service from Kent to Stratford International Station started in December 2009.

**During the Games:** During the Games, a high-speed rail service called the Javelin will run from St Pancras International Station in central London to Stratford International, taking just seven minutes.

**After the Games:** Stratford International will also be the final station on the new Docklands Light Railway (DLR) line extension from Canning Town.
Transport across London
We want 100 per cent of spectators to travel to London 2012 events by public transport, cycling or on foot. Ticket holders will travel free on public transport in London on the day of the event.

Work is progressing on Games-related transport improvements such as extensions and increased capacity on the DLR and London Overground, that will ensure long-term benefits well beyond 2012. These are being delivered by Transport for London (TfL) as part of its major investment programme with extra funding from the ODA.

The programme of improvements is well underway, and work completed to date includes:
- The introduction of the first of 22 new DLR rail cars, co-funded by the ODA
- The construction of a new eastern bridge at Stratford International Station to shorten the walking distance to Stratford Regional Station
- The DLR’s second crossing under the river to Woolwich Arsenal, where the shooting events will be hosted, which opened in February 2009
- The new ticket hall at King’s Cross which will provide necessary extra capacity for travellers at Games-time
- The high-speed domestic rail service at St Pancras, known as the ‘Javelin’, which started running services to Stratford International just before Christmas 2009.

During the Games 40,000 athletes and officials will need to travel across London quickly, with a minimal commute. An Olympic Route Network (ORN) has been designated to provide safe and reliable transport for the athletes and other members of the Games Family who are at the heart of London 2012, while keeping the capital and the rest of the UK moving.

In autumn 2009, LOCOG announced that BMW will provide a fleet of cars to help athletes and officials travel across London. They will meet tough sustainability standards and BMW will showcase a number of electric vehicles. A proportion of the fleet will be wheelchair-accessible with BMW converting a number of vehicles for use by disabled drivers and passengers.

Health and safety
Health and safety on the Olympic Park is a top priority for everyone involved in London 2012. Since the project started, the ODA has achieved a health and safety record well above the industry average.

This high standard is being achieved through the ODA’s continued work with contractors on the Olympic site to promote the importance of health and safety. Initiatives have included:
- Setting up an on-site medical centre and health checks for every worker
- Education and health promotion campaigns across the site
- One of the largest surveys of construction workers to check attitudes and approaches to health, safety and environmental management
- An annual awards scheme to recognise and celebrate individual and team performances
- A leadership team with representatives from all the main contractors to act as the project’s health and safety ambassadors.

Construction is now underway in every part of the Olympic Park, presenting a huge logistical challenge. As the project enters a year when the number of workers and activity on site will reach its peak, we remain committed to eliminating accidents.

“We cannot afford any complacency. I am confident that with what we have achieved to date, the foundations for success are firmly in place.”

John Armitt, ODA Chairman
The BT Tower lights up as London 2012 celebrates 1,000 days to go to the Olympic Games.
The London Organising Committee of the Olympic Games and Paralympic Games (LOCOG) is in charge of staging the London 2012 Olympic and Paralympic Games.

LOCOG’s major responsibilities include contracting out for services to deliver and run the Games, raising sponsorship, selling tickets, and recruiting volunteers with the right skills. It is also responsible for running through a thorough programme of testing in advance of the Games.

The Government Olympic Executive has a major role to play in ensuring that all parts of the Government are working together for a Games that is not only successful, enjoyable and inspiring, but also safe, secure and resilient.

Government action

- The GOE has embarked on a series of detailed plans to deliver on 40 or more commitments that have been made by the Government in areas ranging from accreditation to medical services.

- It continues to lead discussions with Local Government, the regions and devolved administrations to help them develop, co-ordinate, and benefit from a wide range of 2012 activities around the UK – including Pre-Games Training Camps, Livesites, visits from the Torch Relays, and the full range of events linked to the Cultural Olympiad.

A safe and secure Games

- The London 2012 Olympic and Paralympic Safety and Security Strategy was agreed in February 2009. It is an integrated strategy which sets out the Government and partners’ vision, aims and objectives to deliver a safe and secure Games.

- A version of this strategy was published in July 2009, together with an accompanying public leaflet explaining more about security for the Games.

- The Government has also endorsed the 2012 Olympic and Paralympic Safety and Security National Concept of Operations: a detailed account of how security will be delivered before and during the Games.

- Biometric hand and iris scanners for workers to access the Olympic Park construction site have been successfully installed as part of planned measures to enhance safety and security. This demonstrates our commitment to build security into the designs for the Olympic Park and venues.

LOCOG’s commercial partners

- Despite the economic downturn, to date LOCOG has generated nearly £600m worth of sponsorship revenue.

- Official Partners are: Adidas, BMW, BP Plc, British Airways, British Telecom, EDF Energy and Lloyds TSB.

- Official Supporters are: Adecco, Deloitte, Cadbury, Cisco, Thomas Cook and UPS.

- Official Providers and Official Suppliers are: Airwave, Atkins, Boston Consulting Group, Crystal CG, Freshfields Bruckhaus Deringer, GlaxoSmithKline, Holiday Inn (part of InterContinental Hotels Group), McCann Worldgroup, Populous, Ticketmaster, The Nielsen Company and Trident.
The Cultural Olympiad

- The Cultural Olympiad, with its **nationwide programme of cultural events and open days**, will continue right up until the final few days before the opening ceremony of the Games.

- A total of **£15.6m of National Lottery funding** has been invested by the Olympic Lottery Distributor to support six of the major national Cultural Olympiad projects which will enable further public participation in cultural projects across the country. These projects are: Discovering Places, Festival of Carnivals, Film Nation, Unlimited, World River and the World Shakespeare Festival.

- In October 2009 **12 artists’ commissions were announced to celebrate local and national cultural life** under the Artists Taking the Lead programme.

- Unlimited, the **UK’s largest ever celebration of disability arts, culture and sport** was launched.

- Over **140 Cultural Olympiad projects have been approved for the Inspire Mark**, which is the branding given to specific projects and events which have been inspired by the Games.

- Eight hundred events were held at the annual Open Weekend celebration in 2009. So far, **more than one million people have taken part in 2012 Open Weekend events**.

- Tony Hall, chief executive of the Royal Opera House was appointed as **Chair of the new Cultural Olympiad Board**, which had its first meeting in September 2009.

- In January 2010 Ruth Mackenzie was appointed to lead the LOCOG Cultural Team. She will be supported by a team of artistic advisers: Martin Duncan, Craig Hassall, Sir Brian McMaster and Alex Poots.

- In the run up to the Games, the iconic Olympic and Paralympic Torch Relays will reach into the heart of villages, towns and cities across the UK, building the excitement of the Games and getting the whole country involved.

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What is the Cultural Olympiad?

Launched on 26 September 2008, the Cultural Olympiad is a four year developing programme of cultural activity which aims to inspire young people, welcome the world and leave a lasting legacy. It includes a series of ten major national projects and a UK-wide Cultural Festival of events in each nation and region and the annual Open Weekend celebrations. It will provide opportunities for people from across the UK to get involved in cultural activity linked to the London 2012 Games.

---

What is the Legacy Trust UK?

The Legacy Trust UK was established with a £40 million endowment from the Big Lottery Fund, the Arts Council England and the Department for Culture, Media and Sport (DCMS) to support a wide range of innovative cultural and sporting activities which celebrate the London 2012 Games and leave a lasting legacy in communities throughout the UK.

The Trust encourages a joined-up approach to celebrating sport, education and culture. These themes are intended to inspire the widest possible range of projects in which the maximum number of people across the UK can get involved.

Projects are likely to include:

- Community events and festivals
- Community sport
- Education, learning and personal development
- Healthy living
- Heritage
- Performing arts and creativity
- Wellbeing
Training Camps

- So far 644 Olympic and 177 Paralympic venues have been identified as potential Pre-Games Training Camp venues for national and visiting international teams, demonstrating the depth, indicating the diversity and high quality of the UK’s sporting infrastructure.

- These Camps will offer athletes from across the world the opportunity to train and acclimatise ahead of the London 2012 Games, delivering considerable benefits to local economies across the country in sectors such as hospitality and tourism.

- By the end of 2009, 24 Training Camp venue agreements had been announced. Loughborough University, for example, has signed an agreement with the National Olympic Committee of Japan, whose athletes will use local facilities and services in the three years running up to 2012.

Making the most of the Games

- UK-wide operations, or ‘City Operations’, is the work that Local Government and other local and regional agencies must do, outside official venues, to ensure that the UK makes the most of the opportunities offered by the London 2012 Games.

- The Mayor of London is responsible for co-ordinating the City Operations programme in Greater London and has established a Steering Group of stakeholders, including five Host Boroughs, LOCOG, the ODA and the GOE, to oversee the programme and delivery plans.

- The GOE and LOCOG have already initiated discussions on the management of City Operations with venue towns and cities around the UK to ensure that an equivalent approach is developed nationwide.

Case study

Manchester Aquatic Centre

Originally built for the 2002 Manchester Commonwealth Games, the Manchester Aquatic Centre is a striking wave-shaped building in the heart of the city’s university district. Open to all, it features two 50 metre pools and a 20m diving pool and regularly hosts international events and galas. In a new lease of life, the centre will now provide improved facilities for the public and add real value to the local economy.

Swimming Australia has selected the facility as a 2012 Pre-Games Training Camp for their athletes. To meet their needs, gym facilities were upgraded and can also be used by the local community. Bury-based company, AquasureUK, provided portable ice baths for the Australian team which will also help provide a lasting sporting legacy for the area.

The Australian swimming team has already hosted a seminar for local swimming coaches, training for local young people in swimming clubs and a competition for schools.

Swimming Australia has also signed-up to use the Manchester Aquatic Centre as a Training Camp for the 2014 Glasgow Commonwealth Games. An estimate has suggested that this five-year deal could be worth around £1m to the North West’s economy.
Jessica Ennis of Great Britain and Northern Ireland celebrates winning the gold medal in the women’s Heptathlon during day two of the 12th IAAF World Athletics Championships at the Olympic Stadium on August 16, 2009 in Berlin, Germany.
The Legacy

Our promise to deliver a lasting legacy of benefits – before, during and after London 2012 – was what set our bid apart and helped win us the Games.

At that time we made two fundamental pledges:

- to inspire a generation of young people through sport
- to transform the heart of East London.

Since then, we have set out to harness the unique power of the Games to pursue further legacy ambitions for London 2012.

Individuals, communities and businesses right across the country are already benefitting from the legacy of London 2012.

Promise 1: Make the UK a world-leading sporting nation

The sports legacy of the London 2012 Games will be a world-leading sports system, with the UK a world leader in sport. The country will have more first class sporting facilities, clubs and coaches, more people of all ages playing sport and sustained elite success in sport.

The Olympics and Paralympics are events for the whole of the UK to embrace and take part in. Our performance at the 2008 Beijing Games showed that Britain is fast becoming a world leader in many sports. But unprecedented amounts of public money are also being invested by government and the National Lottery in sport and physical activity, helping us to live happier, healthier, longer lives.

Elite Sport

- Supported by a substantial increase in lottery and government funding of £550m, our elite athletes continued to excel during 2009, and build on the successes of Beijing. Notable performances at World Championship level in 2009 include:
  - two medals (Beth Tweddle (Gold) and Daniel Keating (Silver)) at the World Gymnastics Championships
  - the strong performance of our swimmers at the World Swimming Championships (Britain finished sixth with seven medals – two of them Gold)
  - Alastair Brownlee’s Gold medal in the World Triathlon Championships
  - the continued excellence of our cyclists such as the ICU (International Cycling Union) World Cup in Manchester in October.

- In September, the BOA, ParalympicsGB, LOCOG, and UK Sport launched Team 2012, with Visa on board as the first partner. Team 2012 meets the commitment to create a new and sustainable private sector income stream and provide further support for elite athletes in the run up to and beyond the London 2012 Games.

Research: Shaping the legacy

The public were asked, without prompting, what long-term benefits they wanted to see as a result of the Games. Desired benefits were concerned with both sport and the wider legacy. Of priority were:

- Helping the UK economy (31 per cent)
- Providing more opportunities for young people (20 per cent)
- Improved sports venues (20 per cent)
- Increased participation in sport (18 per cent)

Sports participation and physical activity

- More than £780m is being invested in school sport in the three years to 2011, to encourage young people to take part in sport. A further £480m is going directly to sports governing bodies to fund projects to increase participation for people of all ages and from all walks of life.

- More than 90 per cent of children now do two hours of school sport per week, up from around 25 per cent just 10 years ago. Latest surveys reveal that 50 per cent of children are doing three hours or more of sport in schools per week.

- Building on past investment, and drawing on the inspiration of London 2012, a substantive offer of five hours’ quality physical education (PE) and sport per week is now in place in 92 per cent of school sport partnership areas in England. This figure is expected to reach 100 per cent by September 2010. The Five Hour Offer will give all children access to high quality sporting activities inside and outside school.

- Currently, seven out of 10 children take part in sports competitions at school – a strong and steady increase over recent years.

- The Free Swimming programme started in April 2009. More than 80 per cent of local authorities have signed up to provide free swimming for the over-60s and 61 per cent of local authorities have also committed to provide free swimming for the under-16 age group. So far over 10 million free swims have taken place, consisting of 6.9 million free swims by people aged 16 and under and 3.5 million by those aged 60 and over.

- In February 2009, the Government published Be Active: Be Healthy. This plan sets out the various initiatives that will support the drive for getting adults to increase their levels of physical activity. For the first time, it outlines estimates concerning the economic cost of physical inactivity for communities in terms of health conditions and the wider impact on the economy.

Case study
Increasing participation

Sir Steve Redgrave, Britain’s most successful ever Olympian, is to lead the drive to inspire more people to play sport as a lasting legacy of London’s Olympic and Paralympic Games. In his new role as 2012 Sports Legacy Champion, announced in September, Sir Steve will advise Government Ministers and sports bodies on increasing participation at all ages. He will be supported by six Olympic and Paralympic medallists including heptathlete, Denise Lewis, and sprinter, Darren Campbell.

Sir Steve (pictured above) said “2012 is a once-in-a-lifetime chance to change the habits of a nation and get across to everyone why sport and physical activity matters.”

Active People

Sport England published the latest findings from the Active People survey in December 2009. This showed the number of adults doing sport regularly (defined as doing 30 minutes of sport three times a week) has increased by 115,000 compared with 2008.
Comedian David Walliams helps to launch the Free Swimming programme with children from Eltham, April 2009.
International Inspiration

- The £24m International Inspiration programme was launched in January 2008, aiming to engage more children across the world in sport, physical exercise and play. It has brought together a range of organisations to offer high quality programmes and know-how to some of the world’s most disadvantaged young people. The funding comes from the Government, the British Council, Unicef and the FA Premier League, and the programme has been endorsed by the IOC and by LOCOG.

- In 2009, the II Foundation was established to formalise the relationship between delivery partners. The British Council, Unicef and UK Sport will take responsibility for and strengthen the governance of the programme, and they will work with LOCOG on raising the additional funding needed to complete it.

- The programme is already changing the lives of young people in the nine countries where it is operating, and was recently launched in Jordan and Trinidad and Tobago. Highlights of 2009 included: engagement of 12,500 children in activities in Azerbaijan; reduction in school drop-out rates in areas targeted by the programme in Brazil; training programme to support “Swim for Life” opportunities in Bangladesh. The ambition is to extend the programme to 20 countries and reach 12 million children, leaving a unique global legacy from the London 2012 Games.

- So far more than 3.5 million children and young people have been reached as a result of the programme, and given a wider range of opportunities to experience and benefit from high quality and inclusive PE, sport and play in schools and communities. The programme will be rolled out to three further countries in 2010.

“Sport is a language that everyone speaks, and it can be used to change lives. Through International Inspiration, we have an opportunity to give millions of children the chance to experience the thrill and excitement that being involved in sport brings. We can use sport to teach them about trust and respect and we can boost their confidence. It’s a chance for them to learn how to stay safe, keep healthy and in some cases stay alive.”

David Beckham, one of the top British sports people adding his support to the International Inspiration Programme, July 2009
The Cabaret of Dr Caligari in Keswick, August performed as part of Lakes Alive 2009. Lakes Alive is part of WE PLAY, a regional programme funded by Legacy Trust UK.
Promise 2: Transform the heart of East London

- London 2012 will achieve decades of regeneration in less than five years and leave a powerful legacy for East London communities, and for the city as a whole. The legacy for East London will be:
  - five world-class sporting venues for elite and community use
  - up to 15,000 new homes, a large proportion of which are affordable; 2,800 homes in the Olympic Village
  - high-quality public services: Chobham Academy for 1,800 students; polyclinic one-stop primary care centre
  - more than 10,000 new job opportunities, a large proportion focused on the fast-growing digital industries and housed in the cutting-edge business space of the IBC/MPC.

Planning for post-2012

- The redevelopment and regeneration of the Olympic Park is the largest regeneration project in Europe. At its heart is the creation of new communities centred on the Olympic parkland and venues.
- In May 2009 the Government and Greater London Authority jointly established the Olympic Park Legacy Company (OPLC) to deliver the legacy vision for the Park site. The Minister for Olympics and Paralympics, the Secretary of State for Communities and Local Government (CLG) and the Mayor of London are founding members. The Legacy Company has been put in place to deliver long-term sustainable development and use of the venues. It represents the joint commitment to creating a meaningful change in East London.
- The Government is working closely with the five Host Boroughs (Newham, Tower Hamlets, Greenwich, Waltham Forest and Hackney), the GLA, the private sector and other bodies to deliver a coordinated approach to maximising the legacy benefits from the Games for the area and its communities. This work is being driven by the East London Legacy Board (ELLB), led by the Department for Communities and Local Government.
The five Host Boroughs have set up a unique Joint Committee, supported by a Host Borough Unit. This has already helped produce an Olympics legacy multi-area agreement, focusing on worklessness, skills, housing and public realm, which the five Host Boroughs’ leaders and mayors, Mayor of London, Secretary of State for Communities and Local Government and Homes and Communities Agency plan to sign early in 2010.

The five Host Boroughs, supported by the ELLB, are also driving forward a Strategic Regeneration Framework (SRF), published in November 2009, which sets out an agenda to raise the socio-economic conditions in East London to the London average, over the next 20 years:

- employment rates will increase to the London average
- average incomes in the bottom two-fifths of earners will be increased to the London average
- young people will have improved GCSE results to at least the London average
- 11-year-olds will have at least the same educational attainment as the London average
- the number of families in receipt of benefits will fall to no more than the London average
- the rate of violent crime will continue to fall and reflect the London average
- residents, particularly men, will have increased life expectancy to the London average.

The principle of convergence, which underpins the SRF, has been agreed by the Olympic Park Regeneration Steering Group and was referred to in the Mayor’s London Plan, published in autumn 2009. The five Host Boroughs are now working with partners to draw up action plans due for completion in 2010, setting out a programme for implementation.

**Research**

Currently, 23 per cent of the population takes part in volunteering activities. Thanks to London 2012, one third of people (33 per cent) stated that they would give up their time for an Olympic-inspired activity, including nearly half of young people (48 per cent).

MC Bashy launches the vinspired award scheme with an MC-ing masterclass with the East End Youth Action Team, June 2009.
Promise 3: Inspire a generation of young people

- London 2012 is harnessing the full power of the Games to inspire a generation:
  - over 300 projects have been awarded the Inspire Mark
  - over 9,000 schools are involved in the Get Set programme
  - more than 270,000 people have registered their interest in volunteering in 2012.

Education

- LOCOG launched the Get Set network in September 2009, a programme to involve children and young people in the excitement and inspiration of the Games.
- In return for demonstrating their commitment to the Olympic and Paralympic values through school projects and a Get Set blog, schools and colleges can gain the right to use the London 2012 Education logo, also launched in September.
- LOCOG also launched a new set of Get Set resources to celebrate 1,000 days to go until the beginning of the Olympic and Paralympic Games.
- To date over 9,000 schools and colleges have registered on the Get Set website, 54 of which are now members of the Get Set network.

Volunteering

- An ‘Inspiration and Legacy from the London 2012 Games’ project, led by Volunteering England and Youthnet, was launched in spring 2009. These two organisations have made excellent progress in starting to develop the capacity of the National Volunteering Database and in engaging with a range of over 70 organisations, helping them to create Games-inspired volunteering opportunities.
- The youth volunteering organisation, ‘v’ was granted £5m through the Government’s Office of the Third Sector (OTS) to deliver Games-inspired youth volunteering projects across England. ‘v’ is developing the focus for this project, which it aims to launch in spring 2010.

Promise 4: Make the Olympic Park a blueprint for sustainable living

- The second edition of the London 2012 Sustainability Plan was published in December 2009. The Plan builds on our ambitions to use the Games as a catalyst for change. It details progress made on the five sustainability themes: climate change, waste, biodiversity, inclusion and healthy living.
- A reference carbon footprint for the Games was calculated at 3.4m tonnes CO₂. The footprint ‘owned’ by London 2012, after reduction and mitigation measures, is calculated as 1.9m tonnes.
- Cooling in the Energy Centre and Aquatics Centre will use non-hydrofluorocarbon (HFC) chillers. As a result, more than 90 per cent of the cooling provided to the venues will be HFC-free after the Games. London 2012 will also work with the industry to provide, where possible, HFC equipment that takes new low-impact drop-in refrigerants when they are market-ready.
- The Olympic Board has agreed a policy on the use of Polyvinyl Chloride (PVC) in the Olympic Park and venues. PVC can only be used for performance-based reasons where it can be demonstrated that no other more suitable alternative substance or material exists. Where possible, the PVC used should have a significant recycled content and after use be reused or recycled.
- Many aspects of the design and build of the Olympic Park venues are sustainable. For example:
  - over 60 per cent of materials are delivered to the site by rail or water
  - 97.7 per cent of demolition waste has been recycled and in some cases reused
  - a Waterspace Masterplan has been developed to manage the use of the waterways and ensure water quality, natural habitats and biodiversity are fully taken into account
  - concrete used to build the Olympic Park and Olympic Village on average achieves a 42 per cent reduction in carbon emissions against standard concrete mixes.
Promise 5: Demonstrate the UK is a creative, inclusive and welcoming place to live in, visit and for business

London 2012 is providing a timely boost to the UK economy, helping it to weather the downturn and strategically position itself for recovery.

The Games are allowing us to make a major investment in jobs and skills, while businesses from right across the country are benefitting from billions of pounds worth of 2012-related contracts on offer. The impact of the Games will be felt in almost all areas of the economy – from tourism and leisure to the digital and creative industries – and the legacy of the Olympic Park will help to catalyse the fastest growing sectors of the economy.

Jobs and training

- At the end of December 2009, 9,164 people were working on the Olympic Park and Village. Of these, 6,277 were working on the Park of whom 20 per cent were resident in one of the five Olympic Host Boroughs (exceeding the target of 10-15 per cent), and 11 per cent were previously unemployed (exceeding the target of 7 per cent).

- Local people are given priority in accessing training and jobs on the Olympic Park. Job vacancies are offered to each of the five Host Borough employment brokerages and Job Centre Plus offices in the area for a period of two days (48 hours). Vacancies are then made available throughout London for a further 24 hours via Jobcentre Plus and Relay London Jobs before being advertised nationally through Jobcentre Plus. To date, 750 people have found employment on the Olympic Park through this route.

- The ODA has worked with its contractors to increase the number of apprenticeship opportunities beyond its initial target. Since January 2010 contractors are obliged to make up three per cent of their programme workforce with apprentices. This adds another 250 apprenticeship places to an existing target of 100, bringing the total target number of apprentices by 2012 up to 350. In total 2,250 trainees and apprentices will work on the Olympic Park and Village.

- In November 2009, the Minister for the Olympics and Paralympics officially opened the Apprentice Hub, an on-site study centre to support apprentices currently working on the Olympic Park.

- In April 2009 Thames House was opened in Newham. This National Skills Academy for Construction (NSAfC) regional training centre will help to meet the skills requirements of the London 2012 construction programme and other projects, including Stratford City and Crossrail. The centre will remain in place after the Games and provide support for regeneration projects in East London, including the development of the Park in legacy. Thames House will provide training to an expected 2,000 people per year.
Business

- In December 2009 the Department for Business, Innovation and Skills (BIS) held a business diversity event to provide businesses led by under-represented groups – including people from ethnic minorities, women and disabled people – with the information and support they need to take advantage of the Games-related opportunities on offer.

- By December 2009 over 4,700 contracts had been placed on CompeteFor, and nearly 99,000 businesses had registered on the service. Thirty five thousand businesses had received business support from Business Link, or its equivalents in the devolved administrations, as a result of registering on CompeteFor. UK Trade and Investment (UKTI) is continuing to work with foreign companies that have registered on CompeteFor to encourage inward investment and partnerships with UK businesses.

- Of the 1,096 companies that have already won over £5bn of work supplying the ODA, 98 per cent are UK-based, and 46 per cent are outside of London. 68 per cent are small- or medium-sized businesses, where size is known.

Tourism

- A 2009 Deloitte study suggested that – directly and indirectly – tourism contributes 8.2 per cent of the UK’s Gross Domestic Product (GDP). Tourism thus has a vital role to play in the 2012 economic legacy.

- VisitBritain underwent a strategic review in 2009 to get fit for the challenge. In addition to increasing visitor numbers from overseas, VisitBritain’s objectives include championing tourism and engaging industry and government in support of its growth; and maximising the tourism legacy benefits of the 2012 Olympic and Paralympic Games.

- Work has been carried out with the help of the Nations and Regions Group (NRG) to determine how best to help tourism businesses across the UK make the most of the opportunities provided by the London 2012 Games. A Tourism Opportunities Information Network has been developed which is expected to launch in early 2010.

Case study

Business summit

In November, BIS and UKTI delivered the first ‘2012 Business Summit’ to promote awareness of 2012 business opportunities. With less than 1,000 days to go until the London 2012 Games, £1.7bn worth of contracts are still to be awarded by LOCOG and the ODA.

At the summit, LOCOG announced it will tender approximately £700m worth of goods and services in eight categories, including facilities management, catering and venue logistics, and that these would generate further business opportunities through the supply chains.

Increased inward investment and trade opportunities were also highlighted at the summit, through presentations on the ‘Host2Host’ programme. This is designed to develop trade with other host and bid cities of Olympic Games and other major sporting events, capitalising on our special status as a host nation. UK businesses were encouraged to compete for contracts around global sporting events, such as the 2014 Winter Games in Sochi, on the strength of the UK hosting the London 2012 Games. This reinforced the message that companies need to also look beyond the London 2012 Games to the many opportunities to supply world-wide sporting events.
Companies from across the UK

This is a snapshot of some of the companies across the UK that are providing goods and services to the construction and infrastructure of the Games.
Promise 6: To draw on the unique and inspirational power of the Games to promote inclusion, positive attitudes towards, and the active participation of disabled people

- The 2012 Olympic and Paralympic Games provide a unique opportunity to support wider initiatives to change perceptions of disabled people. This supports the Government’s aim of achieving disability equality by 2025.

- In 2009 the GOE, working closely with the Office of Disability Issues (ODI), initiated a series of summits and workshops and consulted continuously with various disability groups. Advice was sought from former Paralympians, Dame Tanni Grey-Thompson and Chris Holmes and a quantitative research report was commissioned interviewing over 600 disabled people about their views on what the legacy of the Games for disabled people should be.

- Following this work, on 3 December 2009, the Minister for Olympics set a new legacy promise: that the London 2012 Games will help to transform the life experience of disabled people. The Government intends to publish a disability legacy plan by March 2010.

Legacy delivery across the Nations and Regions

The London 2012 Nations and Regions Group (NRG) exists to maximise the benefits of the Games and help deliver participation and legacy programmes across the whole of the UK. Progress is measured through indicators such as the number of overseas teams using Pre-Games Training Camps, Inspire Mark projects and the number of companies registered on CompeteFor. Examples of the NRG’s work include:

- working to attract UK-wide Games-time volunteers and also encouraging potential volunteers to take part in other sporting and social events. Over a quarter of a million people from across the UK have expressed an interest in being a Games-time volunteer

- 85 sporting participation projects have the Inspire Mark

- helping to facilitate the signing of Memoranda of Understanding with 24 National Olympic Committees and National Paralympic Committees

- conducting business events across the UK to promote business opportunities from London 2012

- hosting over 35 visits to the nations and regions by, among others, Tessa Jowell, Minister for the Olympics; Lord Coe, Chairman of LOCOG; and Paul Deighton, Chief Executive of LOCOG to raise awareness and deliver on the bid promise of a “Games for everyone”.
Confidence in the Games across the UK

The third annual nationwide survey, London 2012 Legacy Research, Wave 3, 2009 Quantitative Report shows that 79 per cent of the public are confident the UK will host a successful Games.

Scotland 82%
North East 81%
Northern Ireland 85%
North West 84%
Yorkshire and Humber 77%
East Midlands 85%
Wales 82%
West Midlands 76%
East of England 77%
London 78%
South East 78%
South West 74%

Base: All respondents 3,504/Young People 1,333/ Disabled 665/Host Borough 1,111

1 Conducted between 21 October and 7 November 2009 by Continental Research on behalf of DCMS
Work has started on improving cycle routes in East London as a result of the ODA’s £11m investment.
Our priorities for 2010

Once the Vancouver Winter Games have come to a close, the attention of the world will begin to turn to London as the next city to host the greatest sporting and cultural event on earth.

It will be a vital year for the London 2012 project, as we continue our work towards building and staging the Games and leaving a lasting legacy.

Building the Games

The ‘Big Build’ will continue apace – not only on the Olympic Park and Olympic Village but on all the 2012 venues and infrastructure in London and around the country.

With all the major venues and most of the Olympic Village homes set to be structurally complete, and with a majority of major transport improvements finished, progress will be highly visible in 2010. By the end of the year the public will have a clear picture of what the theatre for the London 2012 Games will be, and the lasting legacy it will leave as a result.

Transport across London

- Work on the DLR extension to Stratford International is well underway and is on schedule to open in July 2010.
- Passengers at Stratford Regional Station are already using three new lifts and wider staircases. A new upper level station entrance and westbound Central Line platform are all on track to be completed by the end of 2010.
- Work has started on improving walking and cycling routes in East London as a result of the ODA’s £11m investment.
- The next phase of operational planning, including timetabling, will be completed in 2010 and a second edition of the transport plan published.
- TfL will re-open the newly-extended and refurbished East London Line in summer 2010 – further extensions to the north and west will mean London has a new orbital railway by 2012.

Case study

Queen’s visit

In November 2009, Her Majesty The Queen visited the Olympic Park to see the progress being made on the London 2012 venues and infrastructure. During her visit, she met with site workers and helped plant the first of more than 2,000 trees that will create the parklands and green spaces for the Olympic Park and Olympic Village.

“Railway lines, trains and stations are being upgraded to cope with the thousands of athletes, volunteers and spectators who will travel to the Games each day. We want to make sure spectators have a choice of ways to get to the Games, whether it’s by public transport, bicycle or on foot.”

Tessa Jowell, Olympics Minister
Progress against milestones

In July 2009, the ODA announced that it had hit all of its annual milestones. It also published *The Big Build: structures*, which sets out 10 new milestones that the ODA plans to achieve by 27 July 2010 – two years from the Opening Ceremony of the London 2012 Olympic Games.

**Milestone 1**

The structure of the Olympic Stadium, including the roof, will be complete. The first seats will be fitted and work on the field of play about to start.

**Milestone 5**

The Handball Arena and Basketball Arena structures will be in place with internal works underway. Building work will have begun on the new Eton Manor sporting facilities.

**Milestone 6**

The majority of the Olympic Village homes will be structurally finished and internal works will have started. The entire major infrastructure needed to support the development will be complete.

**Milestone 7**

All works will be complete at the Eton Dorney Rowing venue. The new lake and competition courses at Broxbourne White Water Centre will be finished, with the facilities building almost complete. A planning application will have been submitted for the shooting facilities at the Royal Artillery Barracks.
The structure of the International Broadcast Centre (IBC) and multi-storey car park will be finished, with roof and wall cladding well underway. The Main Press Centre’s (MPC) structure will be nearing completion.

The Aquatics Centre’s permanent structure and roof will be complete and all three swimming pools be dug out.

The Velodrome structure and roof will be complete, with work about to start on installing the timber track.

More than half of the new bridges and underpasses will be complete and parts of the Olympic Park Loop Road in operation. Planting will have begun across the Olympic Park.

The Energy Centre, Primary Substation, main sewer and deep sewer pumping station will all be operational.

All major transport improvements will be in progress or complete, and the next level of detailed planning for transport operations during the Games will have been completed.
25,000 passengers will use the Javelin train service every hour at Games-time.
Staging the Games

2010 is an important year for LOCOG in preparing to stage the Games ahead of main event testing in 2011.

LOCOG will start the procurement of £700m worth of goods and services for the staging of the Games in earnest. It will launch its volunteering recruitment programme which will see up to 70,000 volunteers getting trained and ready for the London 2012 Games. It will also unveil the official 2012 mascot.

The Vancouver Winter Games – the last major Olympic and Paralympic Games to take place before London 2012 – will provide an excellent learning opportunity.

Government responsibilities

- Building on the strategies developed in 2009, a focus for 2010 will be to drive out any gaps in planning and ensure there are documented agreements on delivery. These will include developed testing plans to make sure Government is ready to deliver tried and tested services in 2012. The GOE will continue to work with the English regions and home nations on their 2012 plans, and how they can make the most of opportunities such as Pre-Games Training Camps, Livesites, the Torch Relay and Cultural Olympiad events.

- The GOE will also, in partnership with the Cabinet Office, develop operational plans for a Government Co-ordination Centre, that will co-ordinate government activities during the Games.

- The Government is currently developing and will consult on detailed regulations for advertising and street trading during Games-time. These regulations will prevent ambush marketing and the over-commercialisation of the Games.

Security

- The Home Office is continuing to integrate its security planning work with that of LOCOG and the ODA, working closely with the GOE and other partners. The delivery of the finalised 2012 Olympic and Paralympic Safety and Security National Concept of Operations will be a significant milestone before the start of Games testing in 2011.

- The first major national multi-agency exercise of safety and security plans will take place in July 2010.

- The GOE will continue to challenge, assure and assist in the development of an integrated security plan. This includes ensuring that London 2012 security stakeholders finalise responsibilities for a number of different aspects of the programme and manage any issues that arise within existing security budgets.

- The focus will remain on keeping additional expenditure within the planned limit of £600m.
Training camps

- The number of Pre-Games Training Camp agreements will grow in 2010. Cities and regions across the UK will conclude negotiations with National Olympic and Paralympic Committees to allow national teams to train in local sports facilities.
- In 2010 LOCOG will roll out its Pre-Games Training Camps’ financial incentive scheme which offers up to £25,000 for visiting Olympic and Paralympic teams to spend at their chosen facility.
- The GOE will continue to help the NRG to promote its venues, facilities and specialist support services to potential National Olympic and National Paralympic Committees.

Cultural Olympiad

- This year, plans for the Cultural Olympiad include launching and awarding more cultural projects with the Inspire Mark. It is estimated that more than 10 million people will have taken part in an Inspire project by 2012.
- Another London 2012 Open Weekend will be held, this year on the weekend of 23-25 July. Once again a wide range of communities and cultural organisations will participate.

City Operations

- The GLA’s work with London local authorities will focus in particular on working with partners to design and develop operational plans for the events, activities and backdrops that will showcase London, and on identifying demand for public services during 2012. The aim will be to ensure that high standards are maintained while coping with additional visitors during Games time.
- The GOE will build on this work during the course of 2010 to ensure that an equivalent approach is developed for operations linked to 2012 staging and venues nationwide.

Leaving a Legacy

London 2012 will bring further economic benefits to companies across the UK as the ODA and LOCOG procure further contracts in 2010. Meanwhile the OPLC will continue to develop its work on securing the legacy of the Olympic Park and creating a new and metropolitan area of the city, millions more people across the country will take part in sporting and cultural activities linked to 2012, and International Inspiration will be launched in three new countries.

The GOE will continue to oversee and drive forward the legacy agenda. In the spring, for example, the Government will set out a Disability Legacy Plan outlining how London 2012 will help to accelerate progress towards achieving disability equality in the UK.

An artist’s impression of the view south from the north of the Olympic Park in legacy.
Children born on ‘20/12’ day 2004, ie 20th December, celebrate their 5th birthday by dressing the London 2012 Olympic Park Christmas tree at the Viewtube.
The UK School Games is an inclusive, multi-sport event for elite, young athletes of school age. Legacy Trust UK is supporting the UK School Games, delivered by Youth Sport Trust, through £6 million of funding over four years.
Promise 1 – Make the UK a world-leading sporting nation

- The Five Hour Offer will be in place in 100 per cent of School Sport Partnership areas.
- International Inspiration projects will be launched in a further three countries: South Africa, Malaysia and Nigeria. It is currently operating in nine countries (Azerbaijan, Brazil, India, Palau, Zambia, Bangladesh, Jordan, Mozambique and Trinidad and Tobago) offering sport and PE programmes to some of the world’s most disadvantaged young people.
- Elite sportspeople will continue to benefit from government investment in the run-up to 2012, following on from the successes of 2009.

Promise 2 – Transform the heart of East London

- The GOE will work with the other founder members of the OPLC, CLG and the Mayor of London, to ensure that the company is fully established and that funding, investment and human resource needs are identified and addressed.
- The OPLC is expected to submit planning applications in relation to the Legacy Masterplan Framework for the Park, by the end of the year.
- The GOE will work with CLG to ensure that the East London Legacy Board has a clear delivery strategy and plans, with clear roles and responsibilities for all delivery partners.

Promise 3 – Inspire a generation of young people

Education

- LOCOG’s Get Set programme, for which over 9,000 schools, colleges and other education providers are already registered, will continue to grow. The programme provides materials to engage young people with the London 2012 Games by bringing the Olympic and Paralympic values to life.

Volunteering

- In the spring, the youth volunteering organisation ‘v’ will invest £5m on a range of projects to use the London 2012 Games to inspire young people to volunteer.

Promise 4 – Make the Olympic Park a blueprint for sustainable living

- The Energy Centre at the Olympic Park will commence operation in the spring. The centre will contain combined cooling, heating and power (CCHP) plant. This is a good example of ‘lean’ energy – heat generated by producing power will be used to heat venues across the Park, and CCHP is a localised source of energy. It will make an important contribution towards meeting the climate change commitment set out in Towards a One Planet 2012, London 2012’s sustainability plan.
- The Government is committed to using the London 2012 Games to inspire people across the UK to act more sustainably, and will publish a detailed delivery plan in 2010.
- The Government will continue to ensure that the Olympic Park and venues are designed and built to sustainable principles, meeting its targets including in relation to waste, biodiversity and health and safety.
Promise 5 – Demonstrate the UK is a creative, inclusive and welcoming place to live in, visit and for business

- The Games will bring further economic benefits to companies across the UK as the ODA and LOCOG procure further contracts. Remaining direct contracts are worth around £1bn, while additional contracts to be won through the supply chain are worth around £700m. CompeteFor will provide access to some of these opportunities.

- The workforce on the Olympic Park and Village will peak at 11,000 during 2010, and the ODA will maintain its targets for 10-15 per cent of its Park workforce to be local people and 7 per cent previously unemployed. It will continue to work towards its targets of 2,250 trainees, apprentices and work placements over the course of the build, including 350 apprentices.

Promise 6 – To draw on the unique and inspirational power of the Games to promote inclusion, positive attitudes towards, and the active participation of disabled people

- In the spring, the Government will publish a Disability Legacy Plan outlining how London 2012 will fulfil its recent legacy commitment to bring about lasting change for disabled people. This is a fundamental part of our promise to make London 2012 ‘Everyone’s Games’.

- The plan will focus on three areas where London 2012 can catalyse change: promoting positive attitudes and perceptions of disabled people; boosting participation of disabled people in sport and physical activity; and improving business and transport services for disabled people.

- The GOE will continue to work across government and with our 2012 partners to identify existing and potential initiatives that will make this promise a reality.

Nations and Regions

The Nations and Regions Group will continue to work across the whole of the UK to maximise the benefits of the Games and help deliver participation and legacy programmes. The Government Offices for the Regions will work closely with other agencies to promote legacy initiatives and resolve problems. There will be a new network of senior officials across the English regions and across government departments.
Mind the Gap is a professional theatre company based in Bradford that helps people with learning disabilities become professional actors and achieve their potential. The Cultural Olympiad provides the opportunity for us to uncover such cultural activity and display it to the world.
There are currently over 9,000 workers on the Olympic Park and Olympic Village.
Financial overview

The public sector funding package for the Games, announced in March 2007 by the Minister for the Olympics and Paralympics, totalled £9.325bn. Of this total, £6.1bn, including tax and £500m of contingency was identified as the ODA’s baseline budget in November 2007. The ODA’s baseline budget, including an assessment of required Programme Contingency to deliver the ODA scope, was set at £7.095bn. The financial breakdown, sources of funding and progress against this funding is set out in the following pages.

To ensure transparency on the investment being made in the Olympic Park, and for the Games, the Government Olympic Executive (GOE) and ODA have published Quarterly Economic Reports throughout 2009 updating on forecast costs for the programme. As these reports have shown, the overall £9.325bn public sector funding package for the Games remains unchanged and the project remains on time and on budget.

In May 2009, to deal with the impact of the economic downturn, the Ministerial Funders’ Group agreed that additional public sector investment would be made in the Olympic Village and International Broadcast Centre/ Main Press Centre (IBC/MPC) projects from within the overall funding available to the ODA.

A private sector deal from Lend Lease and its banking consortium was on offer for the Olympic Village. However, due to the worsening economic climate this deal would have required the public sector to carry an increased level of risk. Ministers decided that the Lend Lease deal was not in the best interests of the taxpayer and that it would not constitute value for money in the long term.

Since this decision, the Anticipated Final Cost (AFC), the current forecast of the final cost of the ODA’s programme including forecast costs, risks, scope changes and inflation, has not significantly increased.

The current AFC is £7.262bn, compared to £7.241bn at the end of the last quarter. This represents an increase since the last quarter of 0.3 per cent.

Looking forward, plans are now being put in place for the operation of the Olympic Park and venues from construction completion to Games and during the post-Games transformation up to the transfer of assets to successor bodies. This report includes an initial assessment of the likely costs associated with these operations that will be met from within the existing funding package.

Most of the contingency used to date has been for projects affected by the economic downturn – the Olympic Village and the IBC/MPC. Contingency required for other projects has been more than offset by savings elsewhere. The majority of contingency remains unreleased and the ODA continues to make strong progress in preparing the venues and infrastructure in the Olympic Park.

2010 will be the biggest year for the project in terms of activity on the Olympic Park. There are already over 9,000 workers on the Olympic Park and Olympic Village projects combined and the year ahead will see this number rise to around 11,000, with many of the venue and infrastructure projects nearing completion by the end of the year.
Public sector funding package for the Games

The financial breakdown of the £9.325bn Games funding package and sources of funding for the package, as announced in March 2007, is shown below.

The total ODA baseline budget was in effect the combination of £6.127bn baseline budget and £968m Programme Contingency – £7.095bn.

Table 1: Breakdown of the £9.325bn funding package

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>£m</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total public sector funding package</strong></td>
<td></td>
<td></td>
<td>9,325</td>
</tr>
<tr>
<td>ODA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ODA Base costs inc VAT</td>
<td>6,127</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programme Contingency</td>
<td>968</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funders’ Contingency</td>
<td>1,004</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total available to ODA</strong></td>
<td></td>
<td></td>
<td>8,099</td>
</tr>
<tr>
<td>Non ODA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elite and community sports</td>
<td>290*</td>
<td></td>
<td>290*</td>
</tr>
<tr>
<td>Paralympic Games</td>
<td>66**</td>
<td></td>
<td>66**</td>
</tr>
<tr>
<td>Look of London</td>
<td>32***</td>
<td></td>
<td>32***</td>
</tr>
<tr>
<td>Security</td>
<td>600</td>
<td></td>
<td>600</td>
</tr>
<tr>
<td>Security Contingency</td>
<td>238</td>
<td></td>
<td>238</td>
</tr>
<tr>
<td><strong>Total non ODA</strong></td>
<td></td>
<td></td>
<td>1,226</td>
</tr>
</tbody>
</table>

* The £290m contribution from the Sport Lottery Distributors has been invested in maximising the benefit to British sport of hosting the Games, through support of elite and community sport. The key areas that this contribution has been invested in are:
  – programmes of support for elite athletes and coaches;
  – development of facilities for elite and community use; and
  – community programmes/projects for clubs, coaches and volunteers, to increase participation and improve performance.

** The £66m is the Government’s planned contribution towards the hosting of the Paralympic Games by LOCOG.

*** The programme of works, currently being designed, will be for use on non-capital, presentational works – such as street decoration and signage, etc.
**Sources of funding**

Of the £9.325bn Public Sector Funding Package, almost £6bn will come from Central Government. Funding for the ODA comprises contributions from the Department for Culture, Media and Sport (DCMS), Communities and Local Government (CLG) and the Department for Transport (DfT). The funding of the £838m for wider policing and security is primarily the responsibility of the Home Office, working with other Government Departments. Central Government funding for the Games for the period 2008-09 to 2010-11 has been secured through the Comprehensive Spending Review and the remaining balance will be confirmed in subsequent Spending Reviews.

The overall National Lottery contribution to the London 2012 Games will be up to £2.175bn including contributions of £750m from dedicated Olympic Lottery games, £340m spending by sports lottery distributors out of their existing funds (including £290m of support for elite and community sport), and £1.085bn to be transferred from general Lottery proceeds held in the National Lottery Distribution Fund to the Olympic Lottery Distribution Fund.

The London contribution will be made up of £925m funding from the GLA (including estimated £625m contribution from the London council tax); and £250m funding from the LDA.

**Programme spend as at 31 December 2009**

As of 31 December 2009 total expenditure on the programme was £3,233.6m.

The original forecast spend for this period was £3,995.8m. The variance between forecast and actual spend reflects procurement savings across the programme, unspent contingency, savings achieved on infrastructure works (such as structures, bridges and highways and enabling works), and savings achieved on logistics and security. These savings are offset by additional spend on the Olympic Village, now publicly funded, together with phasing changes to the delivery programme.

<table>
<thead>
<tr>
<th>Funding from:</th>
<th>Total contribution £bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lottery</td>
<td>2.175</td>
</tr>
<tr>
<td>London (GLA and LDA)</td>
<td>1.175</td>
</tr>
<tr>
<td>Central Government</td>
<td>5.975</td>
</tr>
<tr>
<td>Total</td>
<td>9.325</td>
</tr>
</tbody>
</table>

![Chart showing the breakdown of funding sources: 3% LDA, 10% GLA, 23% Lottery, 64% Central Government]
Programme progress

Construction is well underway on all of the permanent venues and the infrastructure required for the London 2012 Games and after. The ODA is on track to complete all venues by the agreed handover dates to LOCOG.

The external structure of the Velodrome has recently been completed and the structures of the Olympic Stadium and the roof of the Aquatics Centre are also complete. The frame of the IBC was completed 10 weeks after work started and work is well underway on the MPC. Three of the 11 Olympic Village blocks are now structurally complete.

The Primary Substation, the first building to be completed on the Olympic Park is now operational, as is a new pumping station. In November 2009 Her Majesty The Queen planted the first of over 4,000 trees in the Olympic Park.

Outside London, work at Weymouth for the sailing venue is completed. Work is also well underway and on track at both Broxbourne, for the White Water Canoe Centre, and at Eton Dorney, the venue for rowing and flat water canoeing.

The latest edition of the Transport Plan was published in December 2009 and transport improvements are moving ahead quickly with more carriages for the DLR, the ongoing redevelopment of Stratford Regional Station and the successful completion in summer 2009 of the test of the seven minute Javelin service from Kings Cross Station to Stratford Regional Station during Games-time.

The ODA announced in July 2009 that it had hit all of its annual milestones as set out in Big Build: Foundations and published the next ten Big Build: Structures milestones to July 2010. Progress against these is set out on pages 44 and 45.

During the year ahead, the ODA, the GOE and LOCOG will additionally focus on operational planning for the periods between venue completion and the Games and during the transformation phase to the handover of assets to successors.

Programme completion as at 31 December 2009

As of 31 December 2009, the Olympic capital programme, which includes the work on all venues, infrastructure, capital elements of transport projects and the Olympic Village, was 49.4 per cent complete.

Financial position

The GOE and ODA have been publishing Quarterly Economic Reports throughout 2009, the last being published in November last year. These reports have provided the latest forecast costs for the programme.

In May 2009, the Funders’ Group decided that, although Lend Lease and the banks involved had offered a combination of private sector equity and debt to fund part of the costs of the construction of the Olympic Village, this did not constitute value for money for the taxpayer in the long term. The Government therefore announced that an additional £324m would be invested in the Olympic Village on the expectation that sales of completed homes would at least repay this amount. This brought the total public sector investment from the Olympics funding package to £650m. This was partly funded by savings achieved across the programme as a consequence of good progress, reduced risks, reduced inflation and the reduced rate of VAT.

The Funders’ Group recently considered the proposals for securing receipts from sales of homes in the Olympic Village. The Government has agreed a Memorandum of Understanding with the Olympic Lottery Distributor (OLD) that provides assurance that OLD will receive a proportionate share of receipts arising from its expected funding of the Olympic Village or other assets.

Savings

Good programme management by the ODA working with its delivery partners, CLM, the GOE and other stakeholders, helped deliver £390m of savings in the last financial year against the baseline budget. These savings have derived from value engineering, reductions in scope and procurement savings and have been used to fund cost pressures where these have arisen; to part fund the Olympic Village and to ensure the overall project remains within budget, thereby minimising the need for contingency.

There have been some movements in the ODA’s budget and in the overall AFC in the last quarter to 31 December 2009, as set out on pages 59–62.
ODA budget

The ODA baseline budget set in November 2007 amounted to £7.095bn including a provision for £968m of Programme Contingency. The total budget had increased to £7.190bn by September 2008, as reported in the January 2009 Annual Report and now, after absorbing the impact of the global economic downturn and property market deterioration, together with other less significant changes, which have been reported in the Quarterly Economic Reports, the budget as at 31 December 2009 stood at £7.237bn.

A further £13m of Funders’ Group contingency has recently been released to the ODA by the Ministerial Funders’ Group to reflect additional new scope to progress the detailed planning, procurement, licensing and early works for the operation of the Olympic Park from construction completion through to Games and up to the transfer of assets to successor bodies. A full project business case will be prepared by the autumn.

The current ODA budget following this decision therefore stands at £7.250bn, as summarised in Table 3 on page 60.

Overall contingency position

Most of the contingency used to date was allocated to meet costs of the Olympic Village and the IBC/MPC. Contingency required for other projects has been more than offset by savings elsewhere.

Contingency releases have been reported in the Quarterly Economic Reports. In the quarter ending 31 December 2009, £0.4m of Funders’ Contingency was allocated to meet costs of aggregate tax and, more recently, a further £13m of Funders’ Contingency was released as described above.

The gross allocation of contingency on the programme as at 31 December 2009 was £702m leaving a balance of £1,270m. After the recent release of £13m for Park Operations the allocation to date is £715m, leaving a balance of £1,257m available, as shown in Table 4 on page 60. This position is before taking into account the £324m which is expected to be repaid from the future sales of Olympic Village homes.

The ODA now estimates the value of programme risks to be £629m, a reduction in the last quarter of £54m. Going forward risks are expected to continue to gradually reduce due to continued efficient delivery.

The contingency left available to the ODA includes provision for two types of contingency:

Programme Contingency is for programme-wide risks managed by the ODA. These risks principally relate to the risks inherent in delivering a programme of projects on this scale, on a tightly constrained site against an immovable deadline – as opposed to the risks that affect individual projects delivered in isolation (which are covered through project contingency).

In accordance with good industry practice, Programme Contingency was assessed at the 80 per cent confidence level and in November 2007 the contingency identified was £968m. Any application by the ODA for access to the Programme Contingency is subject to scrutiny by the GOE and the Olympic Projects Review Group, on which each of the funders is represented, and approval by the Minister for the Olympics. Release of the lottery-funded element of Programme Contingency is subject to approval by Olympic Lottery Distributor (OLD).

Funders’ Contingency is for other risks beyond the project and programme level – principally relating to risks outside the control of the ODA, such as changes in scope or the impact of wider economic conditions, and to take the confidence level up to the 95 per cent level. The Funders’ Group Contingency is, in effect, the balance of the funding available after taking into account the ODA baseline budget including project contingency and the Programme Contingency.

Access to Funders’ Group Contingency is subject to approval by the Ministerial Funders’ Group following scrutiny by the GOE and the Olympic Projects Review Group. Grant for any Lottery-funded element of Funders’ Group Contingency is subject to approval by OLD.
<table>
<thead>
<tr>
<th>Table 3: Summary of ODA budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nov 07 baseline £m</strong></td>
</tr>
<tr>
<td>Total budget before Programme Contingency</td>
</tr>
<tr>
<td>Retained savings</td>
</tr>
<tr>
<td>Park operations</td>
</tr>
<tr>
<td>Total budget before Programme Contingency</td>
</tr>
<tr>
<td>ODA Programme Contingency</td>
</tr>
<tr>
<td>Total Budget including Programme Contingency</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4: Changes to ODA budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Original baseline £m</strong></td>
</tr>
<tr>
<td>November 2007</td>
</tr>
<tr>
<td>Olympic Village interim funding</td>
</tr>
<tr>
<td>Contingency releases published Jan 09</td>
</tr>
<tr>
<td>September 2008</td>
</tr>
<tr>
<td>Olympic Village additional funding</td>
</tr>
<tr>
<td>IBC/MPC</td>
</tr>
<tr>
<td>September 2008</td>
</tr>
<tr>
<td>Inflation savings</td>
</tr>
<tr>
<td>VAT rate reduction</td>
</tr>
<tr>
<td>Other movements</td>
</tr>
<tr>
<td>March 2009 – pre Olympic Village funding</td>
</tr>
<tr>
<td>Olympic Village investment</td>
</tr>
<tr>
<td>March 2009 – post Olympic Village funding</td>
</tr>
<tr>
<td>Basketball</td>
</tr>
<tr>
<td>Security resilience</td>
</tr>
<tr>
<td>June 2009</td>
</tr>
<tr>
<td>Barking feasibility reports/Eton Manor/Aquatics</td>
</tr>
<tr>
<td>September 2009</td>
</tr>
<tr>
<td>Aggregate Tax (£0.4m)</td>
</tr>
<tr>
<td>December 2009</td>
</tr>
<tr>
<td>Parkwide operations</td>
</tr>
<tr>
<td>February 2010</td>
</tr>
<tr>
<td>Olympic Village future receipts</td>
</tr>
<tr>
<td>Budget after parkwide operations</td>
</tr>
<tr>
<td>Net future cost pressures</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Assessed programme risks</td>
</tr>
<tr>
<td>Total Anticipated Final Cost</td>
</tr>
</tbody>
</table>
**Anticipated Final Cost (AFC)**

Since the decision by the Funders’ Group in May 2009 to invest in the Olympic Village, the Anticipated Final Cost (AFC), the current forecast of the final cost of the ODA’s programme including forecast costs, risks, scope changes and inflation, has not increased significantly.

The movement of £21m in the AFC in the last quarter is a consequence of a range of movements including:

- Forecast savings of £55m on site preparation and infrastructure projects, venues and Parkwide projects such as logistics
- The assessed value of risks reducing, due to efficient delivery, by £54m from £683m to £629m
- Forecast savings on the IBC/MPC of £13m
- A forecast increase of £17m in Olympic Village-related costs. This includes increased investment in the security arrangements for the Olympic Village site and legal and other fees incurred by the ODA and Triathlon Homes in the completion of the pre-sale agreement for the £268m affordable housing deal on the Olympic Village
- An increase in programme delivery costs, reflecting performance payments of £9m earned by the ODA’s Delivery Partner, CLM. These performance payments are made against robust time and money milestones and reflect good progress on site and overall financial control
- The forecast increase in Other Parkwide Projects includes the £13m contingency required for Park Operations, explained separately in this report. The ODA is also in the process of developing in more detail the requirements for Games time screening areas and transport malls, including the provision of utility services, lighting and security fences. This work has identified potential cost pressures which will be firmed up later in 2010.
- As in previous quarters, the development of more detailed transport plans has seen changes in forecast costs between capital and operational requirements. Overall these movements do not involve an increase in the total forecast for transport projects, which continues to forecast an overall saving against the baseline budget.

- A reduction in the forecast receipts from the ODA’s right to share in the development returns of land adjoining the Olympic Village. The ODA has invested in the infrastructure (roads, bridges, utilities) that is necessary for the Olympic Village and adjoining lands under London and Continental Railways (LCR) ownership to be developed for residential, office and hotel use. In return for this necessary infrastructure investment there is an agreement in place that the ODA will share in future revenue as the areas adjoining the Olympic Village site are developed after the Games. The likely receipts were independently assessed in 2007 and the forecast reduction of receipts is a reflection of both the deterioration in the property market since the original estimate was made and the fact that the Olympic Village is now wholly owned by the public sector. The reduction is £150m, partly offset by £45m savings on Corporation Tax the ODA may have been due to pay on the original estimate.

The ODA expects at least some of the potential increases to be covered by project savings and the balance by the use of contingency following the mitigation of risks going forward.

After taking into account the budget movements, potential cost pressures, savings and risks going forward the AFC has increased by £21m to £7.262bn to 31 December 2009, as shown in Table 5 on page 62.
### Table 5: Anticipated Final Cost

<table>
<thead>
<tr>
<th>Category</th>
<th>Nov 07 ODA Baseline Budget £m</th>
<th>Nov 09 Quarterly Economic Report £m</th>
<th>Feb 10 Annual Report £m</th>
<th>Variance Nov 09-Feb 10 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Site preparation and infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Powerlines</td>
<td>282</td>
<td>285</td>
<td>285</td>
<td>0</td>
</tr>
<tr>
<td>Utilities</td>
<td>256</td>
<td>194</td>
<td>195</td>
<td>1</td>
</tr>
<tr>
<td>Enabling works</td>
<td>364</td>
<td>340</td>
<td>337</td>
<td>(3)</td>
</tr>
<tr>
<td>F10 Bridge</td>
<td>89</td>
<td>66</td>
<td>63</td>
<td>(3)</td>
</tr>
<tr>
<td>Other structures, bridges and highways</td>
<td>740</td>
<td>620</td>
<td>610</td>
<td>(10)</td>
</tr>
<tr>
<td>Prescott Lock</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Other infrastructure (Greenway, landscaping)</td>
<td>243</td>
<td>243</td>
<td>233</td>
<td>(10)</td>
</tr>
<tr>
<td><strong>Total site preparation and infrastructure</strong></td>
<td>1,979</td>
<td>1,753</td>
<td>1,728</td>
<td>(25)</td>
</tr>
<tr>
<td><strong>Venues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stadium</td>
<td>496</td>
<td>537</td>
<td>537</td>
<td>0</td>
</tr>
<tr>
<td>Aquatics</td>
<td>214</td>
<td>245</td>
<td>248</td>
<td>3</td>
</tr>
<tr>
<td>VeloPark</td>
<td>72</td>
<td>96</td>
<td>95</td>
<td>(1)</td>
</tr>
<tr>
<td>Other Olympic Park venues</td>
<td>288</td>
<td>336</td>
<td>331</td>
<td>(5)</td>
</tr>
<tr>
<td>Non-Olympic Park venues</td>
<td>101</td>
<td>131</td>
<td>131</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total venues</strong></td>
<td>1,171</td>
<td>1,345</td>
<td>1,342</td>
<td>(3)</td>
</tr>
<tr>
<td><strong>Transport</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Stratford Regional Station</td>
<td>119</td>
<td>126</td>
<td>126</td>
<td>0</td>
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<tr>
<td>DLR</td>
<td>86</td>
<td>85</td>
<td>80</td>
<td>(5)</td>
</tr>
<tr>
<td>Thornton's Field</td>
<td>47</td>
<td>23</td>
<td>23</td>
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</tr>
<tr>
<td>North London Line</td>
<td>110</td>
<td>107</td>
<td>107</td>
<td>0</td>
</tr>
<tr>
<td>Other transport capital projects</td>
<td>178</td>
<td>160</td>
<td>173</td>
<td>13</td>
</tr>
<tr>
<td>Other transport operating expenditure</td>
<td>357</td>
<td>335</td>
<td>326</td>
<td>(9)</td>
</tr>
<tr>
<td><strong>Total transport projects</strong></td>
<td>897</td>
<td>836</td>
<td>835</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Parkwide projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logistics for site construction</td>
<td>337</td>
<td>300</td>
<td>275</td>
<td>(25)</td>
</tr>
<tr>
<td>Security for park construction</td>
<td>354</td>
<td>341</td>
<td>322</td>
<td>(19)</td>
</tr>
<tr>
<td>Section 106 and masterplanning</td>
<td>127</td>
<td>126</td>
<td>126</td>
<td>0</td>
</tr>
<tr>
<td>Insurance</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>Other parkwide projects and operations</td>
<td>0</td>
<td>63</td>
<td>93</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total parkwide projects</strong></td>
<td>868</td>
<td>880</td>
<td>866</td>
<td>(14)</td>
</tr>
<tr>
<td><strong>Media Centre and Olympic Village</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stratford City land and infrastructure</td>
<td>522</td>
<td>560</td>
<td>560</td>
<td>0</td>
</tr>
<tr>
<td>Stratford City Stage II Overage</td>
<td>(250)</td>
<td>(250)</td>
<td>(100)</td>
<td>150</td>
</tr>
<tr>
<td>Village construction (public sector funding)</td>
<td>0</td>
<td>664</td>
<td>681</td>
<td>17</td>
</tr>
<tr>
<td>Village receipt</td>
<td>0</td>
<td>(324)</td>
<td>(324)</td>
<td>0</td>
</tr>
<tr>
<td>IBC/MPC</td>
<td>220</td>
<td>347</td>
<td>334</td>
<td>(13)</td>
</tr>
<tr>
<td><strong>Total Media Centre and Olympic Village</strong></td>
<td>492</td>
<td>997</td>
<td>1,151</td>
<td>154</td>
</tr>
<tr>
<td><strong>Programme delivery</strong></td>
<td>647</td>
<td>678</td>
<td>687</td>
<td>9</td>
</tr>
<tr>
<td>Taxation and interest</td>
<td>73</td>
<td>69</td>
<td>24</td>
<td>(45)</td>
</tr>
<tr>
<td><strong>Total budget before contingency</strong></td>
<td>6,127</td>
<td>6,558</td>
<td>6,633</td>
<td>75</td>
</tr>
<tr>
<td>Programme contingency</td>
<td>968</td>
<td>719</td>
<td>772</td>
<td>53</td>
</tr>
<tr>
<td>Retained savings</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total after ODA programme contingency</strong></td>
<td>7,095</td>
<td>7,277</td>
<td>7,405</td>
<td>128</td>
</tr>
<tr>
<td>Available programme contingency*</td>
<td>0</td>
<td>(36)</td>
<td>(102)</td>
<td>(66)</td>
</tr>
<tr>
<td>Retained savings**</td>
<td>0</td>
<td>0</td>
<td>(41)</td>
<td>(41)</td>
</tr>
<tr>
<td><strong>Total potential Anticipated Final Cost (AFC)</strong></td>
<td>7,095</td>
<td>7,241</td>
<td>7,262</td>
<td>21</td>
</tr>
</tbody>
</table>

Table 5 footnotes:
* Available programme contingency represents the amount of contingency available in excess of assessed risks.
** Retained savings represent savings generated but not spent which will be used to meet future cost pressures.
Park operations 2011–2013

At the time of creating the ODA Programme Baseline Report (November 2007), it was too early to be certain about which organisation should take on the Olympic Park operations between 2011 and 2013. As LOCOG and the Legacy Company plans have become more developed, it has become clearer that the ODA should take on the Olympic Park ownership responsibilities.

Within Programme Contingency in the ODA budget there is provision of around £116m to cover the asset protection of the Olympic Park, venues and infrastructure and the continuation of logistics activities and security during the period LOCOG is installing temporary overlay and carrying out testing up to the Games.

The Olympic Board has now decided that the ODA will take on additional responsibilities for this period for areas such as venue security and operating the Olympic Park and venues to a level to support elite athlete training, test events and the Games.

This new scope for the ODA is likely to require additional funding to be allocated to the ODA, from within the existing overall £9.325bn budget.

Initial estimates are that this additional scope may cost between £110m and £160m depending on the finalisation of scope, delivery approach, procurement, licensing and public safety requirements. The ODA is now preparing a full business case for this additional scope and £13m in contingency funding has been released to the ODA to reflect the early works required during 2010.

During the course of the coming year the ODA, the GOE and LOCOG will be working together with the licensing authorities to determine the accurate costs of these additional responsibilities and to what extent this can be funded from further savings and/or contingency.

Planning for legacy

In addition the ODA is working with the GOE and OPLC to determine the most appropriate strategy to allow the Olympic Park to open to the public as soon as possible after the Games.

Long-term benefits of ODA spend

The promise of a long-term legacy benefit was a large part of London's successful bid to be awarded the 2012 Games, and a part of this is the long-term regeneration benefit to East London resulting from the Olympic investment. The ODA baseline budget of £6.1bn has been analysed to assess the extent to which the Olympic investment leaves a long-term regeneration benefit. The conclusion reached is that around 75 per cent – i.e. 75 pence in every pound spent by the ODA – will leave a long-term regeneration benefit, made up of:

- All, other than the Games-time landscaping costs, of the site platform and infrastructure costs. These works involve, for example, decontaminating, cleaning and landscaping the land, installing essential utilities, providing roads, bridges, canal walls etc, all of which would be necessary for regeneration of the area even if there were no Olympic Games.
- The parts of the spend on Olympic Park venues that will leave a long-term legacy asset.
- The capital investment in improved transport links (though not the costs of operating the transport systems).
- The ODA’s investment in the IBC/MPC and the Olympic Village, leading to the creation of 2,800 homes and the creation of employment opportunities.
- A proportion of the costs of planning, managing, coordinating and protecting the works – through projects such as Master Planning, logistics, security and insurance – appropriate to the proportion of spend with regeneration benefit to the total spend.
The London 2012 Olympic Pictograms, the visual representations of Olympic sports and disciplines which will be used in the run up to and during the Olympic Games in 2012 were unveiled in October.
We can also provide documents to meet the specific requirements of people with disabilities. Please call 020 7211 6200 or email enquiries@culture.gov.uk

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