



department for
culture, media
and sport

London 2012 Olympic and Paralympic Games Annual Report January 2009



host government department of the
Olympic and Paralympic Games

improving
the quality
of life for all

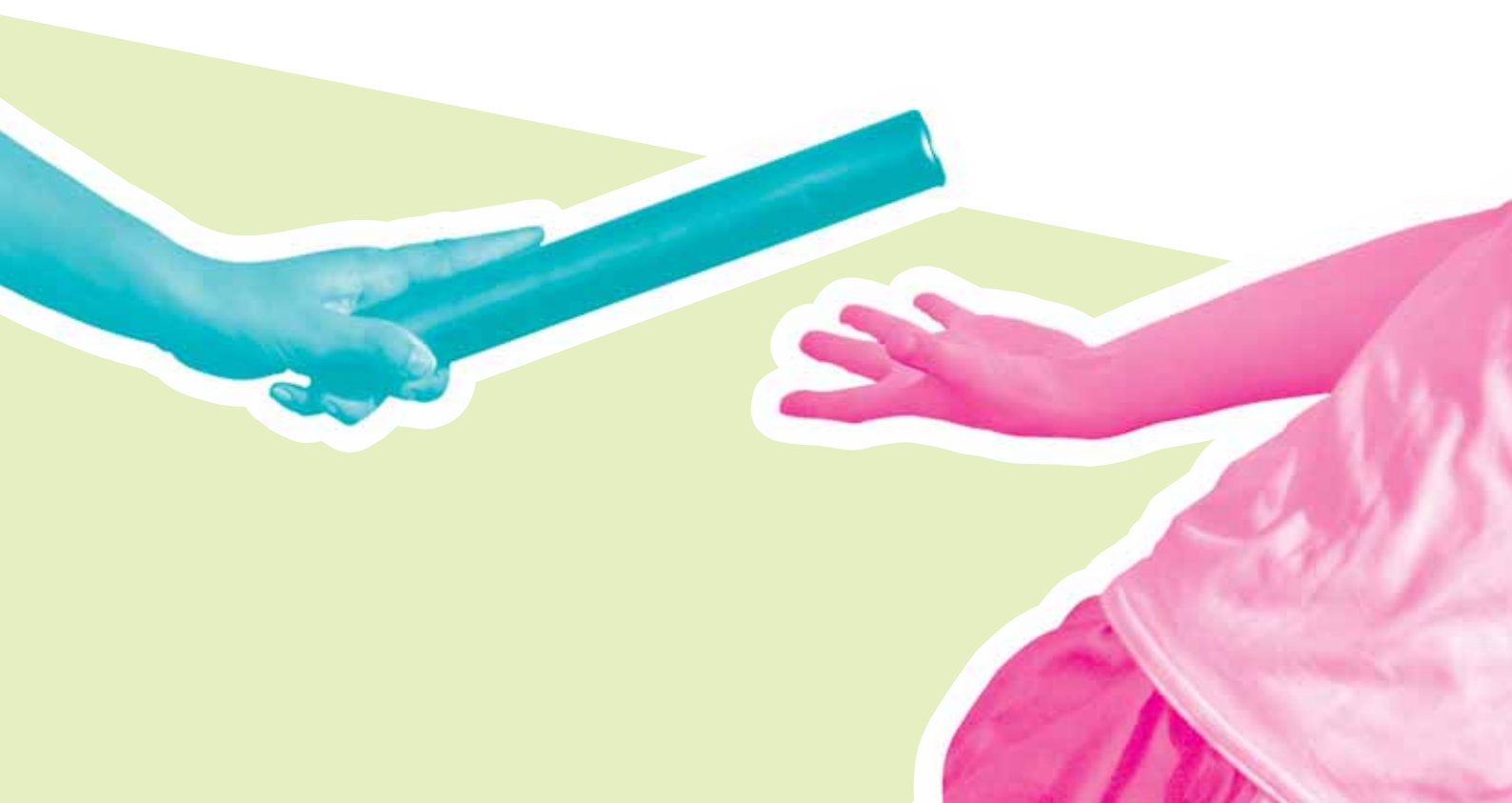
DCMS aims to improve the quality of life for all through cultural and sporting activities, to support the pursuit of excellence and to champion the tourism, creative and leisure industries.



Contents

Forward to 2012	3
Our vision	7
Our vision in action	8
Our progress in 2008	15
Our priorities for 2009	31
Financial Report	41
Annex A: Previous financial reports	57
Annex B: Glossary of terms and references	58
Annex C: Running the Games – who does what	62

**2008 saw the Olympic
and Paralympic baton pass
from Beijing to London.**



Forward to 2012

January 2009 marks the halfway point between winning the bid and hosting the London 2012 Games.

We are firmly on track and have already made solid progress. Construction began on the stadium three months ahead of schedule and Weymouth and Portland Harbour, the London 2012 sailing venue, has been completed ahead of schedule and to budget.

2008 marked a year of outstanding achievement for our athletes and provided inspiration for the nation back home. Team GB and ParalympicsGB performed outstandingly in Beijing 2008, coming fourth and second in the medal tables respectively, setting a high standard for London 2012. The benefits of investing in sport remain unquestionable.

2008 also saw the Olympic and Paralympic baton pass from Beijing to the UK with the official handover to London 2012. Beijing hosted a spectacular Games. The challenge and the opportunity for us now is to ensure that London 2012 is an historic event that the UK and the world will remember for years to come, leaving a legacy that will last for generations.

With legacy plans developing apace – Andy Burnham announced the Free Swimming Programme; London 2012 launched the Cultural Olympiad with 650 events around the country; and 5,000 schools participated in celebrations around Paralympic Handover as they joined the London 2012 Education Programme. In addition, International Inspiration – our programme to increase sports participation in developing countries – was launched by the Prime Minister.

But this year has also seen a global economic downturn. I believe that the London 2012 Games will provide economic gold at a time of economic need. Now, more than ever, we must fulfil our bold legacy ambitions to regenerate East London, provide thousands of homes and jobs, training and apprenticeships, and inspire businesses from around the world to invest in the UK. With 75p in every pound spent on building the Games going towards regeneration, we can be proud of what we have achieved so far, while recognising the big challenges ahead.

All this must be done while delivering value for money from the £9.3 billion public sector funding package. Our financial report shows that, with a continued, disciplined search for savings and a sensible use of the contingency funds set aside to manage risks, we remain within budget despite the current economic downturn. It will not be exceeded.

Inevitably, there will be difficult times in 2009. But there will also be exciting developments on the Olympic Park and around the UK. The world-class team at the ODA and LOCOG, and the commitment from the Government and all our partners, will see us all rise to the challenge.



Tessa Jowell

Rt Hon Tessa Jowell MP
Minister for the Olympics
and Paralympics



Aerial view of the Olympic Stadium site, November 2008



**There were over 650
events around the UK
as part of Open Weekend
to celebrate the launch of
the Cultural Olympiad.**



Our vision

We want London 2012 to be a global celebration of sport and culture that leaves a lasting legacy for the UK.

Working with London 2012 partners, we hope to harness the power of the Games to inspire change: change in people's lives, in sport participation, in our communities and in attitudes towards disability.

The Games are a unique opportunity to regenerate East London, make sport and culture more integral to our daily lives and cement our reputation as a modern, forward-looking, innovative country.

Our aim 'to host an inspirational, safe and inclusive Games and leave a sustainable legacy for London and the UK' is underpinned by our objectives, set out in 'Before, during and after: making the most of the London 2012 Games', the Legacy Action Plan for London 2012:

- Making the UK a world-leading sporting nation
- Transforming the heart of East London
- Inspiring a generation of young people
- Making the Olympic Park a blueprint for sustainable living
- Demonstrating the UK as a creative, inclusive and welcoming place to live in, visit and for business

London 2012 will be a defining moment for the UK in the 21st century. The UK reflected on the world stage will be creative, diverse and dynamic. Sport will be a bigger part of our lives with two million more people taking part.

Programme oversight

The responsibility for oversight and assurance of the entire Olympic Programme transferred to the Government Olympic Executive (GOE) – a part of the Department for Culture, Media and Sport reporting directly to the Minister for the Olympics and Paralympics – at the beginning of 2008. From that point on, the GOE has undertaken work to ensure that activities are well managed, and that effective risk and financial management arrangements are in place for the Games programme as a whole.



Athletes celebrate during the Olympic and Paralympic Heroes Parade

Our vision in action

The Legacy Games

Delivering a lasting legacy from the Games is a core part of the vision for London 2012.

A legacy for the UK

2008 saw the publication of the Legacy Action Plan, setting out the Government's five targets for delivering a lasting legacy across the UK.

The Government and other partners are working hard to deliver our legacy ambitions. We have developed extensive plans for each promise to ensure that every benefit from London 2012 is realised.

A legacy for East London

After the Games, East London will be transformed.

In total, more than 15,000 homes will be created in the Olympic Park site, the Olympic Village and the Stratford City development. The Olympic Village, where athletes and officials will stay during the Games, will become homes. This, coupled with the Stratford City development, will generate over 5,000 new homes. In addition, there will be further housing built on the Olympic site after the Games, creating 10,000 - 12,000 new homes, 35% of which will be affordable housing.

The world-class sports facilities in East London will be adapted for use by local sports clubs and communities as well as elite athletes. Over 102 hectares of open space will be available, including parkland, children's play spaces and park facilities.

Games-related transport improvements will leave long-term benefits for East London. Most will be completed well in advance of 2012, so London can enjoy the benefits before, during and after the Games.

Delivering legacy now

- The Department for Culture, Media and Sport (DCMS) has announced a Free Swimming Programme for over 60s and under-16s which will begin in spring 2009.
- The new Woolwich Arsenal Station, the first of the four new stations being built as part of the extension of the Docklands Light Railway (DLR), opened ahead of schedule in January 2009.
- International Inspiration – a global programme aiming to get more children participating in sport – has been recognised by the International Olympic Committee (IOC) as a London 2012 initiative and will be rolled out to another five countries in 2009.
- 50,000 tonnes of soil have been cleaned using natural micro-organisms ('bio-remediation'), enabling 80% of contaminated soil to be cleaned onsite rather than sent to landfill.
- The second Personal Best graduation ceremony in 2008 celebrated the achievement of 875 participants of the programme. This training programme is now being rolled out across London and the UK with the aim of helping unemployed people or those with little or no qualifications by providing a stepping stone into work, further employment or volunteering.

The Economic Games

The economic downturn has changed the landscape for London 2012 and will remain a key focus. We bid for the Games in one economic climate, but we will be staging them in another. Now more than ever it is essential that we fulfil our legacy ambitions, including the regeneration of East London. At this crucial moment, London 2012 is providing a shot in the arm to businesses in London and around the country, while getting more people involved in work through direct employment, training and apprenticeships.

The economic benefits of the Games for the UK are already evident, and the Games will continue to play an active role in meeting the challenges of the current economic environment by:

- creating up to 75,000 supply chain opportunities – there will be opportunities for businesses across the country to get involved;
- creating employment – with up to 11,000 people working on site at the peak and 100,000 contract jobs to stage the Games;
- opening up skills and employment opportunities for most, if not all, sectors, extending well beyond the Olympic Park and London;
- delivering a total of 350 construction apprenticeships at the Olympic Park site.

In the longer term, with 75 pence in every pound of the £6.1bn Olympic Delivery Authority (ODA) spend going towards regeneration, London 2012 will deliver economic benefits to East London and bring wider benefits across the UK, including:

- long-term job creation, with up to 50,000 new permanent jobs created in the Olympic Park and the surrounding area after the Games;
- through public and private investment, 10,000 - 12,000 new mixed-tenure homes in the Olympic Park site, 35% of which will be affordable housing, and over 5,000 new homes in the Olympic Village and Stratford City development;
- creating opportunities for tourism, media, sport and many other sectors; for example, the value of the Games to UK tourism is estimated to be £2.1bn between 2007 and 2017;
- increasing the potential for inward investment and export, including through the use of local facilities as Training Camps.

Impact of the Games so far, January 2009

Jobs and training

- Over **3,300** people are currently working for contractors on the Olympic Park.
- **30,000** people are forecasted to work on the Olympic Park and Olympic Village during the lifetime of the programme.
- **23%**, approximately one in five, of people in the current workforce are from the five Host Boroughs – Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest.
- **9%**, nearly one in ten, of this workforce was previously unemployed.
- **315** people have graduated from the Plant Training Centre, the ODA's construction training initiative for local people, since its launch in February 2008.
- **303**, nearly one in ten, of those working on the Olympic Park are apprentices, trainees or work placements.

Contracts

- Over **800** businesses have already won over £3.5bn of work supplying the ODA.
- **98%** of contracts have gone to UK-based businesses, over two-thirds of which are SMEs and just under half (45%) are based outside of London.
- Over **50,000** businesses have registered on CompeteFor.

ODA suppliers by region*

Region	Total
London	454
South East	141
East of England	62
South West	40
West Midlands	34
North West	34
East Midlands	27
Yorkshire & Humber	21
Overseas	15
Scotland	13
North East	11
Wales	4
Northern Ireland	2
Unknown	2
Total	860

* as at December 2008

Accountability and the Games

It is important to us that people know how the project is progressing and understand why decisions are taken. The Government is and will be held to account for the public investment in the Games and for ensuring that they leave a lasting legacy. The Government is held to account by Parliament through oral and written Parliamentary Questions and inquiries by the Culture, Media and Sport Select Committee and the Public Accounts Committee.

The London Organising Committee for the Olympic Games and Paralympic Games (LOCOG) is directly accountable to the International Olympic Committee (IOC) and the International Paralympic Committee (IPC) for the staging of the Olympic Games and Paralympic Games. While LOCOG is funded almost entirely from private money, Government has provided the required financial guarantee to the IOC, as well as a contribution towards the staging of the Paralympic Games. Through this guarantee, Government is accountable to the public and to Parliament for the staging of the London 2012 Games.

The Rt Hon Tessa Jowell MP, Minister for the Olympics and Paralympics, represents the public interest and ensures the voice of the public is heard in all London 2012 plans. She works closely with the ODA, LOCOG, other Government Ministers, the Mayor of London and other key partners who are responsible for delivering specific aspects of the Games and their legacy.

In addition to the Annual Report and six-monthly updates, which we have published since January 2008, the Minister for the Olympics and Paralympics will be implementing new quarterly financial reporting beginning in April 2009, to improve even further the transparency and accountability of the London 2012 project.

Accountable to the public

Between November 2007 and November 2008, the Minister for the Olympics and Paralympics and the GOE responded to 2,655 questions or letters from members of the public, Parliament and organisations about London 2012. This is an average of over 220 a month.¹

The organisations involved in delivering London 2012 are committed to ensuring the public are involved in the Games and have every opportunity to contribute.

Thousands of people are already involved:

- Around 200,000 people welcomed the beginning of the UK's Olympiad in person at celebratory events across the UK
- There were over 650 cultural events around the UK to mark the launch of the Cultural Olympiad
- 5,000 schools signed up for the launch of the London 2012 Education programme that started by celebrating the Paralympic Handover
- 10,000 people have been on a bus tour around the Olympic Park



Top: An artist's impression of how the Aquatics Centre will look in legacy

Bottom: Local residents viewing latest plans at a residents' meeting

¹For a more detailed breakdown of the types of questions and letters answered, please see the table on page 61.



Bradley Wiggins of Great Britain celebrates after he and his team broke the world record in the men's team pursuit track cycling event, Beijing 2008

Our progress so far

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

The Weymouth and Portland Sailing venue was completed in November 2008, a month ahead of schedule and on budget.



Our progress in 2008

2008 was an important year for the London 2012 Games. The Beijing Games were a valuable learning experience for us and an opportunity for our athletes to show what they can achieve.

The Handover Ceremonies marked the official moment London and the UK became hosts for the Games, whilst later in September the Cultural Olympiad launched and provided opportunities for people to get involved and start taking part. The building projects progressed even further, with the shape of the stadium becoming visible and the first venue reaching completion at Weymouth and Portland Harbour. The legacy of the Games was also made more visible with the announcement of the Government's Free Swimming Programme, the opening of the first new DLR station at Woolwich Arsenal and the expansion of the Personal Best training programme.

Building the Games

The ODA is responsible for building the venues and infrastructure for the London 2012 Games. Two-thirds of the venues used for London 2012 will be existing sporting venues, and the rest will be new.

In 2007, the ODA set ten milestones to achieve by the 2008 Beijing Games. The successful completion of this phase then led to the publication of a new set of milestones to bring the programme to July 2009 – three years from the opening ceremony of London 2012. They are now halfway through this new phase, and their progress is outlined below. They remain on time and in some cases ahead of schedule.

Venues

The Olympic Stadium

- Construction of the stadium began three months ahead of schedule.
- The steel supports are currently being installed for the seating terraces and work has just begun on the roof support structure.

The Aquatics Centre

- Construction began in July 2008, two months ahead of schedule.
- Work is well underway and the areas in which the pools will lie are now clearly visible.
- By November 2008, 52% of the piling work on the venue had been completed.

During Games-time the stadium will be 53 metres high, three metres higher than Nelson's Column.

VeloPark

- Designs for the VeloPark were unveiled in September 2008.
- The pre-construction programme is going well. Plans are on track to begin construction of the 6,000 seat velodrome early in 2009.

Weymouth and Portland Harbour

- The Weymouth and Portland sailing venue was completed in November 2008 one month ahead of schedule and on budget.

Handball Arena

- Designs for the arena were unveiled in November 2008 when the planning application was submitted.

Broxbourne White Water Canoe Centre

- Planning permission was granted in October 2008.

Eton Manor

- A plan for use of the site after 2012 is being developed. The plan includes a 130m wind turbine delivering energy to the Park during the Games and beyond.

Temporary venues

- Hadleigh Farm in Essex was confirmed with the IOC and International Federation in August as the location for the Mountain Bike competition in 2012.
- KPMG delivered a report on temporary venues in November, which found that no significant savings could be made by relocating temporary venues for basketball and equestrian events.
- Work on the strategy for relocating temporary swimming pools is underway.

200km of cabling was used to move the powerlines underground – the distance from London to Nottingham.

Park and Village

Olympic Park cleared and cleaned

- By December 2008, 78% of site-wide preparation works were complete and 93% of on-site buildings were demolished.
- ODA continued to exceed its target of recycling 90% of demolition materials.

Tunnels and cabling

- Cabling work was completed in late spring 2008.
- The successful transfer of power to new underground cables was completed in October 2008.
- Work to remove all overhead pylons from the Park was completed in December 2008.

Roads and bridges

- All temporary bridges were in place by July 2008.
- Temporary roads have been installed.
- Work is well underway on the foundations for permanent new bridges, including the bridge that will take people over the Aquatics Centre to the Olympic Stadium.

Water and energy

- Construction work on utilities is well underway.
- The contract for the energy centre was awarded in July 2008.
- Piling works on the foundations of the Energy Centre were completed in the summer of 2008.
- Tunnelling work started on the new sewer networks and on the foundations of the pumping station in the summer of 2008.

Regeneration of waterways

- Over 90% of Park waterways have now been cleaned, repaired and where necessary, replaced.
- Sample planting on the riverbank and at the water's edge is already in place.
- Tidal exclusion at Prescott Lock was completed in July 2008.

The Olympic Village

- Construction began on the Olympic Village in the summer of 2008.
- Designs for the Village were published in October 2008.
- Piling was completed in the first three blocks in December 2008.

International Broadcast Centre/ Main Press Centre (IBC/MPC)

- The site has been cleared and concept designs for studios were completed in November 2008.
- Funding arrangements have recently been resolved, as set out in the Financial Report on page 41.

Stratford City retail

- Westfield has signed agreements to deliver Stratford City retail development.
- The retail park will see over 100 retail units with three anchor department stores creating around 6,000 jobs.
- The project is well underway and will be completed before the Games.

Security

- Two security entrance points have been opened in the north and south of the park where vehicles are screened and searched.
- A number of pedestrian access points have been opened where personal ID is checked.
- A security company has been appointed to provide security guarding. The company will also train and employ local residents and provide long-term career opportunities after 2012.
- A dedicated police support team has been set up to police the construction site.



Top: The new lock in the Prescott Channel

**Bottom: Worker constructing rebar foundations
on the Olympic Village site**



Transport across London

- The £100m upgrade of Stratford Regional Station continued on time and to budget during 2008
- Trials of new DLR trains began in the autumn.
- The upgrade of the North London Line was approved in November 2008.
- Consultation on the proposal for an Olympic Route Network was launched in December 2008.
- The extension of the DLR to the new Woolwich Arsenal Station opened ahead of schedule in January 2009.



Health and safety

The health and safety of people on and around the Olympic Park and other venues is of paramount importance. Our existing record is strong but we are never complacent.

- Over the last 12 months there has been one reportable accident for each 1.25m hours worked.
- A 'near miss' reporting system has been established with lessons learned and applied.
- The world-class occupational health service at the centre of the Park is used by over 1,000 workers every month.
- The ODA has a Safety, Health and Environment Committee to oversee governance and scrutiny of health and safety.
- Every new worker is inducted in health and safety.
- 2,500 local young people have taken part in drama classes organised by the ODA to learn about keeping safe and away from the construction site.

Top: Stratford Regional Station

Bottom: Traffic marshal directing vehicles on the Olympic Park's roads

Staging the Games

LOCOG, chaired by Sebastian Coe, is responsible for staging and hosting the London 2012 Games.

It will deliver the best possible Games experience for everyone involved by, amongst other things, letting contracts for services to deliver and run the Games, holding a series of test events, and recruiting and training volunteers. It will also oversee the four year Cultural Olympiad leading up to the Games.

LOCOG will stage inspirational Olympic and Paralympic Games, which the Government will ensure are also safe, secure and resilient. The Home Office will be responsible for delivering an effective but suitably discreet security operation which ensures the Games are first and foremost enjoyable and inspiring sporting events.

Although the Games are in 2012, progress is already in full swing following the dramatic Handover Ceremony in Beijing.

The Cultural Olympiad

- Launched in September 2008, the Cultural Olympiad is a series of programmes to celebrate the spirit of the Olympic and Paralympic Games that will take place over the next four years, recognising that London 2012 is not just about sport. Whilst open to all, there will be a particular focus on young people, diverse communities and legacy.
- The Cultural Olympiad is being delivered by LOCOG in partnership with a number of public and private bodies at national and local level – including DCMS NDPBs, the Legacy Trust, and a number of the UK's leading cultural organisations.
- Over 650 events were held around the UK during Open Weekend to mark the launch.
- Over three quarters of a million people attended Open Weekend events in museums, theatres, arts centres, broadcasting stations, music venues and heritage locations. Following its success in 2008, Open Weekend will now be repeated in the summer of 2009.

Lessons from Beijing 2008

Ministers attended both the Olympic Games and the Paralympic Games. LOCOG, Government departments and other agencies were represented on the official Observer Programme. This enabled them to see first-hand what they will have to do in 2012 and leading up to it. This was their last chance to experience the scale of the summer Games.

LOCOG played a key role in Beijing 2008, delivering the Handover Ceremonies for both the Olympic and Paralympic Games, which featured among others David Beckham, Leona Lewis and Jimmy Page along with Zoo Nation and CandoCo. LOCOG also seconded staff to the Beijing 2008 Organising Committee to get first-hand experience of running the Games.

The information gained has been shared widely in discussion between the organisations involved in the delivery of London 2012, and internally within each organisation. We continue to collect and share information, most recently at the debriefing with the Beijing Organising Committee in November 2008.

Using what was learned in Beijing, a large programme of complex work is being undertaken to ensure the Games run smoothly and provide the best possible experience for athletes, officials, spectators and sponsors. Some of the key lessons learned from Beijing 2008 are:

- We must provide an outstanding spectator experience with clear, helpful information on transport and sport and good quality facilities at the sites.
- Volunteers make a huge contribution to the Games – they must have the right skills and training to be confident and empowered, and be well managed.
- LOCOG's ticketing strategy needs to deliver venues that are as full as possible.
- Detailed Paralympic planning is key to success and to using the power of the Paralympics as a catalyst for change and to raise awareness of disability issues.
- Athletes need to be placed at the heart of the Games by ensuring they have the facilities and services they need to perform well.

Gymnast chalking his hands during a practice session at the Beijing 2008 Olympic Games



- Nearly 40 cultural projects have been successful in securing the Inspire Mark, which was launched in spring 2008 to promote non-commercial projects and programmes which have been inspired by the Games. These organisations are granted the right to use the Inspire Mark branding on their materials.
- The network of Creative Programmers was completed in 2008. There are eight Creative Programmers across the English regions to take forward plans for the Cultural Olympiad. The Devolved Administrations have put in place similar arrangements and two Creative Programmers represent cultural and creative communities in London.

Commercial partners

- Despite the economic downturn, LOCOG has exceeded its targets with an unprecedented number of commercial partners so far in advance of the Games, including:
 - Official Partners – Adidas, BA, BT, BP, EDF, Lloyds TSB and Nortel;
 - Official Supporters – Deloitte, Cadbury's, and Adecco;
 - Official Providers and Official Suppliers – Atkins, Boston Consulting Group and Airwave.

Training Camps

- 627 Olympic and 175 Paralympic venues were selected for London 2012's 'Pre-Games Training Camps Guide' which was published during the Beijing Games.
- Between September and November 2008, various countries selected the locations for their Training Camps:
 - the Australian Paralympic Team will hold its Pre-Games Training Camp in Wales;
 - Kenya's Pre-Games Training Camp will be in Bristol;
 - Thai athletes will train in Manchester;
 - 15 Pacific Island countries including Fiji and Papua New Guinea will use facilities in the North West.

Trade unions

- The principles of co-operation between the ODA and LOCOG and the Trade Union Congress (TUC) were agreed, which set out a code of practice for the conduct of employment relations in building and staging the games.
- These demonstrate a shared desire that the Games should be an inspirational experience for the athletes, volunteers, spectators and the whole Olympic family.

Delivery of Government services

- During the second half of 2008, GOE has worked with all the Government Departments and public bodies that are contributing to the staging of the Games to ensure they are in a position to deliver. Their contributions include Games-time medical services, tax and immigration.
- GOE has set up a Government Operations Group which will meet regularly to assess progress.

Security

- The Home Office, working closely with the Metropolitan and other Police Services as well as other Government Departments and Agencies, produced the first draft of a Costed Security Plan for London 2012. This document set out initial plans for policing and wider security delivered within the funding envelope of £600m. Work on security planning will continue in 2009.
- The Government is committed to delivering a safe and secure Games, in keeping with the Olympic culture and spirit. The overarching security plan achieves the right balance between different phases and requirements, is intelligence-led, is proportionate to the respective risks and meets the overall objective that the Games are a celebratory event.

Leaving a Legacy

On 6 June 2008, the Government published 'Before, during and after: making the most of the London 2012 Games', the Legacy Action Plan (LAP) for London 2012.

This document set out the Government's aim to realise the widest possible benefits from winning the Games for the UK and its strategy to achieve it. It represented the first time that a host city had published such a document before their Olympiad had even begun.

The LAP is built on five promises, and contains a series of delivery indicators for each promise, with programmes of work attached to each indicator.

Following the publication of the LAP, work has focused on the development of robust delivery plans which have enabled us to remain on track to complete the remaining plans, on physical activity, elite sports and volunteering, by spring 2009.

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

Free Swimming

- Andy Burnham, Secretary of State for Culture, Media and Sport launched the Free Swimming Programme in June 2008.
- The Programme was supported by a £140m fund. This was to encourage local authorities in England to open up nearly 1,600 publicly owned swimming pools for the over 60s and under 16s. There is a capital fund to support the rejuvenation and maintenance of pools, as part of a drive to get two million people more active by 2012.
- By September 2008 over 80% of local authorities had committed to offer free swimming for the over 60s and under 16s.

Elite sport

- In December 2008, UK Sport confirmed funding of £292.5m to 19 Olympic and 15 Paralympic sports covering the next four financial years up to and including the London 2012 Games.
- Together with additional investment to be divided between the remaining eight Olympic and four Paralympic sports at the end of January 2009, the total investment to support elite athletes in the run-up to 2012 is over £300m.
- This investment includes an additional £50m of public funding for elite sport, with a commitment from UK Sport to lead a new, wide-ranging private fundraising initiative to secure a further £50m.
- In December, UK Sport also announced its medal table target for the London 2012 Games, which is to place in the top four in the Olympics and to place second in the Paralympics, with an ambition to win more medals across more sports.

The annual school sport survey, published in October 2008, showed that 90% of 5-16 year-olds did at least two hours of high-quality PE and sport per week, exceeding the Government's target of 85%.

Sport England

- The new Sport England Strategy was launched in June 2008, overhauling the way Sport England invests in community sport through clearer, more effective relationships with National Governing Bodies and through county sports partnerships to get one million more people playing sport by 2012.
- In December 2008 Sport England announced £480m worth of funding for National Governing Bodies as part of the new strategy.

Sport for young people

- The £36m 'Sport Unlimited' scheme was launched by Sport England in 2008. The scheme is designed to attract into sport young people who do not take part in sport regularly.
- The first ever National School Sports Week and the third UK School Games were held in summer 2008.
- In September 2008, a network of 225 local competition managers was put in place to ensure more competitive sport between schools.
- The annual school sport survey, published in October 2008, showed that 90% of 5-16 year-olds did at least two hours of high-quality PE and sport per week, exceeding the Government's target of 85%.

Physical activity

- £1m was committed to a pilot 'Fit for the Future' incentive scheme for 16-22 year-olds to address the drop-off in sport and physical activity in school leavers.
- A £7m programme of walking campaigns was launched, including a Schools Walking Challenge to encourage more children to walk to school and during their free time.
- £75m was invested in a targeted social marketing programme to support parents in changing children's diet and increasing levels of physical activity.



Top: The Free Swimming Programme for over 60s and under 16s will launch in April 2009

Bottom: School children taking part in the Dance in Devon workshop as part of the Open Weekend

Promise 2: Transform the heart of East London

Planning for post-2012

- In February 2008, the Olympic Park Legacy Masterplanning process was formally launched, to develop plans for the transformation of the Park site after the Games, and its relationship with surrounding areas.
- In May 2008, work commenced by the London Development Agency (LDA) to develop business plans for Park and legacy venues which will set out arrangements for building and managing the legacy neighbourhoods to ensure that quality is maintained, and that benefits are maximised and remain viable in the long-term.
- In August 2008, a base plan for the Legacy Masterplan Framework was published to enable further testing of vision and plans. Large scale public consultation followed.
- 'London Calling', a call for ideas from the private sector about future use of the Park, was launched in Beijing.
- In summer 2008, a Strategic Regeneration Framework (SRF) process began, led by the Host Boroughs and the LDA to identify and progress social, environmental and economic priorities for local communities.

Engaging local people

Current activity

In East London, the ODA has made ten community commitments. It is aware that, although the benefits of the Games will be great, the construction programme will have an impact on the surrounding area so it is working closely with local people:

- 20 local primary schools have taken part in 'digs' on the site to learn about the rich heritage of the area;
- eight schools are taking part in a pilot project as The Construction Crew, who visit the park regularly and report back to their schools;
- the ODA has talked to 650 local people through workshops and meetings and held 65 public exhibitions and drop-in sessions;
- representatives from different local groups are brought together at OPEN (Olympic Park Engagement Network);
- there is a dedicated 24-hour hotline for local residents.

Leaving a legacy

Working with the five Host Boroughs and other key partners, the LDA is leading the planning for the post-Games Olympic Park. In delivering this work the LDA is consulting with local people to ensure that Londoners understand how they can make the most of the benefits from the Games and that the developing post-2012 plans work for local people. Work in 2008 has included:

- reaching 72,000 Londoners through 42 'Get Set' London roadshow events in all 33 London boroughs – these events have promoted the wider benefits of the 2012 Games to the Capital;
- attending and running over 120 community outreach events in 2008;
- consulting with over 3,000 local people on their ideas for the legacy of the Olympic Park during the summer of 2008;
- launching the Legacy Now Youth Panel to provide young people with a tool to input into the plans for the Olympic Park after the 2012 Games;
- from September 2008 visiting over 15 schools to talk about delivering a lasting legacy from the 2012 Games and how young people can become involved;
- supporting a series of sub-regional events including the Lea Valley Festival and the West London Festival focusing on encouraging 2012-related sports participation and cultural activities across the city.

Promise 3: Inspire a generation of young people

International Inspiration

- International Inspiration was launched by the Prime Minister in January 2008 with the aim of getting more children participating in sport. The first phase of the programme includes pilot programmes in five countries around the world (Azerbaijan, Brazil, India, Palau and Zambia). The IOC formally recognised International Inspiration as a London 2012 initiative. This is the first time a development programme has been recognised by the IOC.
- In November it was announced that the programme will be rolled out to a further five countries in 2009, taking us a step closer to our ambition of reaching 12 million children in 20 countries by 2012.

Educational initiatives

- In February 2008, LOCOG launched the 'Welcoming the World' Education Project to pupils in the Olympic Park Boroughs.
- In June 2008, the 'Who do we think we are?' initiative was launched, providing young people with opportunities to explore the issues of diversity, identity and community.
- An educational online resource supporting Paralympic Handover celebrations at schools also went live in June. It is estimated that 5,000 schools and colleges took part in these events.
- On 18 September 2008 LOCOG launched the 'Get Set' education programme, which provides resources to education providers to inspire learning in 3-19 year-olds. Participating institutions are rewarded with a range of opportunities including the use of special London 2012 education branding.
- 3,500 schools and colleges have registered so far on the Get Set website.
- By autumn 2008, 52,000 young people had registered for the 'Make Your Mark' Challenge, which focused on the Olympic and Paralympic Values.

Getting Involved

- In December 2008, the Government challenged third sector organisations to maximise the volunteering legacy of the Games.



Case study Velodream

Velodream is a nationwide schools competition run by the ODA aimed at encouraging young people to engage in the 2012 Games through the design of a VeloPark for a future Games. Over 550 schools registered their interest in participating and judging took place in January 2008. There were two winners – one from the London Borough of Newham and the second from a school in the North East. They have won the opportunity to work with the VeloPark design team for the London 2012 Games in the coming years.



Greenacres Primary School,
Greenwich



Welcome Nations mixed media collage to
celebrate the world's multi-cultural communities.
Collage featuring the continent of Europe



Headgate Secondary School,
Waltham Forest



Photography and physical movement activity
inspired by the shape of the word 'HOME' with their bodies





Case study

School hoardings project

Children from 16 local schools took part in this community engagement project which the ODA ran with local creative arts group, Signs of Life. Students of all abilities and ages showed their artistic talents in six different ways: model-making, photography, collage, creative writing and through footprint and wheelchair tracks on canvas. There was a celebration event for all schools involved, where the young people were able to see their artwork displayed along the Hackney Wick towpath on the western edge of the Park.

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

- The ODA has exceeded its target to reclaim 90% of demolition materials for re-use or recycling.
- 50,000 tonnes of soil have been cleaned using natural micro-organisms ('bio-remediation'), enabling 80% of contaminated soil to be cleaned onsite rather than sent to landfill.
- 80% of invasive plants (such as Giant Hogweed and Japanese Knotweed) have now been removed from across the Olympic Park site.
- The ODA is delivering sustainable freighting of materials. Those tendering have to meet or exceed the following targets:
 - 25% of materials needed to be provided as recycled aggregates
 - 50% of materials needed to be transported by rail or water
- In the autumn of 2008, the ODA's Environment & Sustainability Management System was externally audited and certified to the international standard for environmental management systems, a first for a project of the size and scale of the Olympics.
- In December 2008 the annual update to the London 2012 Sustainability Plan was published jointly by the GLA, GOE, LOCOG, ODA, BOA and LDA on behalf of the Olympic Board.

Promise 5: Demonstrate the UK is a creative, inclusive and welcoming place to live in, visit and for business

Business

- January saw the launch of the London 2012 Business Network, giving businesses across the country access to contracts in the London 2012 supply chains.
- In February a range of programmes was announced to capitalise on the increased inward investment and export potential of the Games, including the Host2Host Programme which aims to create links with other host and bid nations. Through this programme, UK Trade and Investment has recently signed an agreement with Vancouver, host of the 2010 Winter Games, to expand the business opportunities created by the Games.
- In June a Train to Gain Compact for 2012 was announced where every business that wins a 2012 contract, and their supply chain, will be contacted by a Train to Gain skills broker.
- By the end of 2008, over 800 businesses had won over £3.5bn of work supplying the ODA. Over 50,000 businesses had registered on CompeteFor, the electronic brokerage system for buyers and suppliers.

Jobs and skills

- February 2008 saw the launch of ODA's Employment and Skills Strategy, helping local people into employment and training on the Olympic Site.
- By January 2009 the ODA was exceeding its target proportions of current contracted workforce for previously unemployed (9% compared with a target of 7%) and local people on site (23% are from the Host Boroughs compared with a target of 10%).
- The second Personal Best graduation ceremony took place at Wembley Stadium in November. This event celebrated the achievement of 875 participants of the programme. A programme to roll-out Personal Best across London over the next six months has been announced by the Mayor of London, and the programme is now also being offered to regions, the South East and North East being the first.

Tourism

- The Tourism Sector Qualification Strategy was published in April 2008.
- In July, Visit London launched an online guide for disabled visitors to London with over 800 accessible hotel rooms in the capital – the most detailed guide of its kind to any city anywhere.
- In August 2008, Visit London launched its global advertising campaign, 'See the World, Visit London', on the weekend of the Olympic Handover Ceremony.



Case study Personal Best

Recent Personal Best graduate, David Holmes-White, is now well on his way to his dream job as a football coach.

David joined the six-week programme with a particular aim – he wanted to become a football coach. During the programme he threw himself into volunteer work with great enthusiasm, gaining valuable experience in catering, retail, stewarding and event promotion. He supervised sporting activities and worked with children. This experience helped David get a job in the leisure industry.

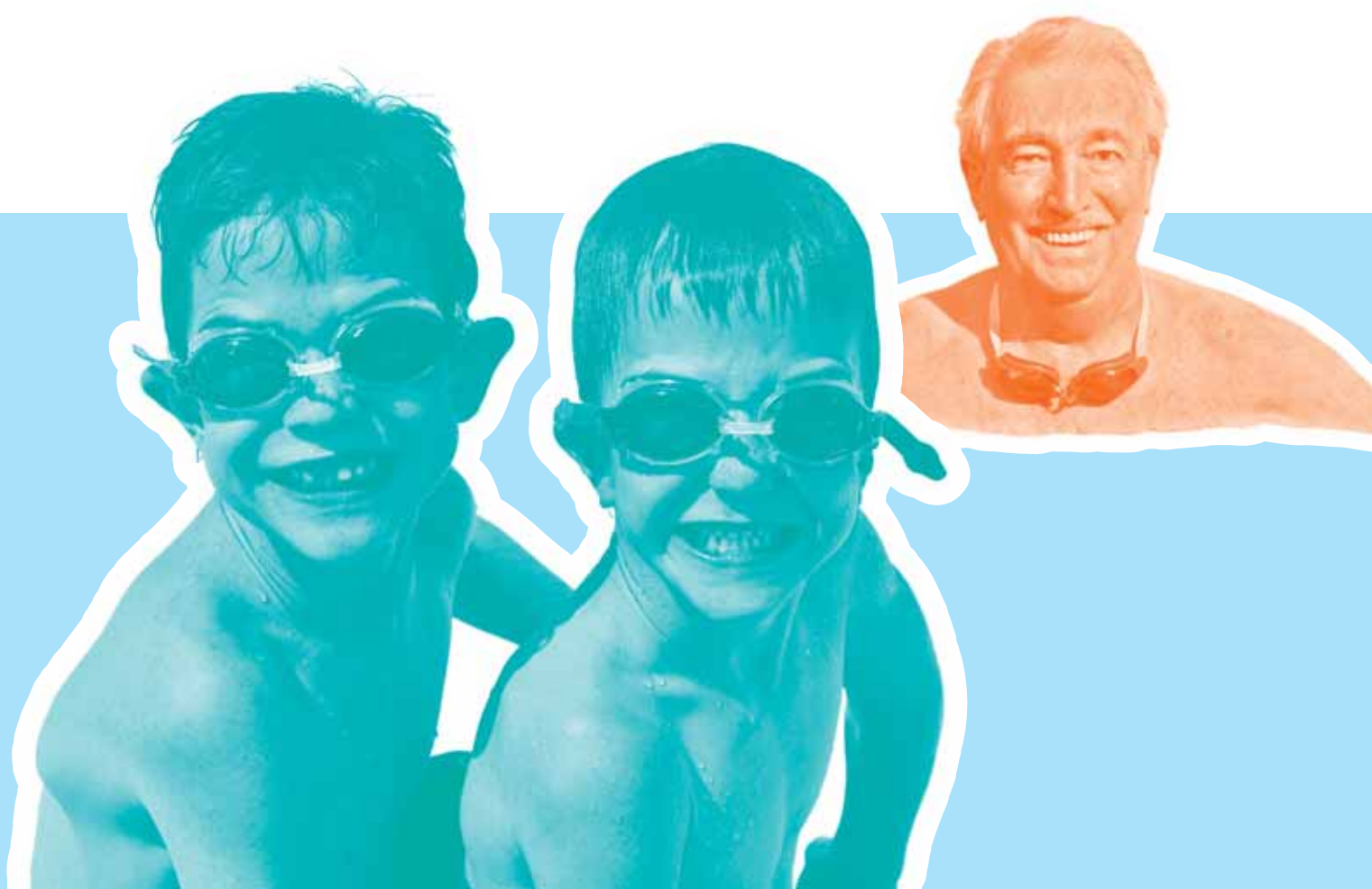
David also used the programme to train in three areas relevant to his chosen career: fire safety, first aid, and emergency health and safety.

Congratulations to David who has recently finished his FA Level 1 in football coaching at the David Beckham Academy. He is now several steps nearer to his dream.

"I think it's a great way to gear you up for work, because it gets you into a routine before you actually start work and you get used to deadlines."

David Holmes-White, graduate

**Free swimming for the
over 60s and under 16s
starts in April 2009.**



Our priorities for 2009

Building the Games

2009 will be a major year for construction of the Olympic Park and key venues.

With more than double the current amount of personnel on site by the end of 2009, the structure of the Park will be visible to all. This early progress on the build will allow for thorough testing of the venues well in advance of 2012.

Venues

The Olympic Stadium

- In early 2009, the steel structures that will support the Stadium roof will be erected.

The Aquatics Centre

- At the beginning of 2009, work started on the installation of the temporary structures required to support the spectacular signature roof during construction.
- The erection of the steel roof structure will begin in March 2009 and is scheduled to be complete by the end of the year.

VeloPark

- Throughout the first half of 2009, construction work will focus on creating the foundations for the velodrome.

Handball Arena

- Appointment of a contractor to build the Handball Arena is due to be completed in spring 2009.

Basketball

- We expect to secure planning permission for the Basketball Arena in summer 2009.

Broxbourne White Water Canoe Centre

- The contract for construction at Broxbourne will be awarded in February 2009 and work will begin in spring 2009.

Eton Dorney

- Work on site at Eton Dorney is expected to start in September 2009.

Park and Village

Olympic Park cleared and cleaned

- Remaining buildings not required on the Olympic Park will be demolished by March 2009.

Bridges and waterways

- Of the 30 new bridges to be created for the Games, several will be complete with many others under construction by July 2009.
- The first permanent bridge will be completed in spring 2009 spanning the River Lea.
- By July 2009, building work will have begun on ten others bridges and underpasses.
- Construction of a footbridge forming part of the main pedestrian walkway through the Park will begin in spring 2009.
- Waterways in the Park are being repaired or cleaned and the majority will be finished by July 2009.

Water and energy

- The primary substation will be virtually completed by autumn 2009, together with the cables linking it to the wider electricity network outside the Park.
- Work on the remaining diversions that are critical for venue construction and infrastructure will be complete by the end of 2009.
- Prescott Lock will be completed by summer 2009.

Olympic Village

- Early construction work on the remaining street blocks for the Village will be phased over 2008 and 2009, with the last blocks expected to start in early summer 2009.
- Construction of the Academy education building is expected to start later this year.

IBC/MPC

- The site for the IBC/MPC will be handed over to the building contractor in March 2009.
- A planning application for the foundations will be submitted in early 2009 and construction is expected to start by May 2009.

The high speed Javelin® train will take people between
St Pancras International and the Olympic Park in just
seven minutes



Transport across London

- More than half of the 55 new railcars that will enable the DLR to run three-car trains on most of its network will have been delivered by July 2009.
- Work on a new signalling system that will increase the capacity of the Jubilee line by 25% will be nearing completion by the end of 2009.
- Work on West Ham station will begin in summer 2009.
- Consultation on the Olympic Route Network (ORN) will be completed in spring 2009 and the ORN will be designated by the end of the year.

2009 is a significant year for the London 2012 project. On 31 October 2009, there will be just 1,000 days left in our countdown to 2012.

The Public Transport Games

The ODA is aiming for 100% of spectators to get to the Games by public transport, cycling or on foot. Tickets to the Games will include free travel on public transport in London for the day of the event to encourage spectators to use the transport system and take in the festivities throughout the city.

Work is already under way on Games-related transport improvements that will leave long-term benefits.

Rail

Railway lines, trains and stations are being upgraded to cope with the thousands of participants, volunteers and spectators who will travel to the Games each day.

By mid-2010, the Docklands Light Railway (DLR) will be extended from Canning Town to Stratford International and will include four new stations. Additional rail cars are being purchased, which will enable the DLR to boost on-board capacity by 50% across the majority of its network.

The centrepiece of the Games-time rail service will be the Javelin®. This service will run on the High Speed 1 line that began operating between St Pancras and mainland Europe in November 2007. During the 2012 Games, the Javelin® will take people between St Pancras International and the Olympic Park in just seven minutes.

It is estimated that 80% of spectators travelling to the London 2012 Games will arrive by rail. During the Games up to 118,000 people will pass through Stratford Regional Station at its busiest hour.

Road

Everyone needs to be able to get to the events on time, but most of all the people taking part or those who make the Games happen. For this reason, we are developing a dedicated Olympic Route Network (ORN). The ORN will comprise a network of roads mainly around London that link all competition and key non-competition sites, such as accommodation. The ORN will enable athletes, team officials, media, technical officials and other members of the Olympic Family to move between these venues quickly and reliably.

The network is being designed to cause as little disruption as possible for general road users. A wide-reaching public consultation programme on the ORN started in December 2008 and will conclude in spring 2009.



Staging the Games

2009 is a crucial year for planning the staging of London 2012.

LOCOG will be developing key plans and strategies throughout the year including ticketing, test events, technology, volunteering and procurement, while the Home Office will be refining its security plans.

LOCOG will also complete venue selection and move on to the next stage of licensing and planning applications. The Cultural Olympiad will announce its first major projects.

The Cultural Olympiad

- This year, London 2012 plans to announce its first major Cultural Olympiad projects. These include:
 - *Unlimited* – a celebration of arts, culture and sport, incorporating a series of major commissions for disabled artists and organisations.
 - *Artists Taking the Lead* – a series of 12 cutting edge artists' commissions in locations around the UK, showcasing our best creative talent.
 - *Stories of the World* – in partnership with the UK's leading museums, historic houses, galleries and archives, this project will tell stories of the world's cultures – past, present and future.
 - *Film Nation* – a film competition for young people celebrating sport and the spirit of the Games.
- Following the success of the Open Weekend 2008, London 2012 plans to develop this programme in the years running up to 2012. In 2009, the Open Weekend will be part of the celebrations to mark the three year countdown to the opening ceremony of the Olympic Games in July 2012.
- A number of Cultural Olympiad projects in the Inspire Programme will also take place in 2009. These projects have been recognised by LOCOG as being directly inspired by the Games and their values and provide great opportunities for people all across the UK to participate in the celebrations of London 2012.



Images from 'Welcoming the World' project, which encouraged young people in 19 schools across the five Host Boroughs to think about how they want to welcome the world to their communities in the run up to 2012

Top: Spring blossoms in front of tower block, taken by a young person from Bishop Challoner Catholic Collegiate School

Bottom: Unite for Peace – mural on a wall in Dalston, taken by a young person from Rushmore Primary School

Venues

- The ongoing assessment of venue locations will be completed and it is expected the Venue Plan will be 'locked down' by March/April 2009. This will conclude a culmination of consultations with stakeholders, IOC, IPC and the International Federations of Sport.
- LOCOG will begin the Model Venue Exercise on a selected venue which will define the core operational procedures and systems.
- Throughout 2009/10 LOCOG will work with local authorities to determine the licensing requirements at each venue.
- LOCOG will be developing Town Planning applications and obtaining consents where appropriate, which will involve an extensive public consultation process.
- During 2009, LOCOG and the ODA will be making progress against their timetable for assessing, developing and securing Games-Time Training Venues.

Planning/strategy

- LOCOG will develop its Lifetime Budget and Programme Plans over the first half of 2009, to set the direction for the next three years.
- Other plans which will be developed in 2009 are: test events schedule, ticketing strategy, procurement and technology plans and volunteering strategy.
- Ofcom will consult on a draft spectrum plan in the first half of 2009. This will look at how radio spectrum necessary for the organisation of the Games, for example for use by wireless cameras and wireless microphones, will be provided.
- We will publish our proposed general approach for regulating advertising and street trading in the vicinity of events at Games-time.

Delivery of Government services

- Over the next year, we will continue to develop and strengthen the Government Operations Group, which comprises all the Government Departments and public bodies that are contributing to the staging of the Games, in areas such as tax, immigration and medical services.
- The GOE will begin to develop operational plans with each Government Department and public body to clarify precisely what they need to deliver and by when.

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 outcome of this work will be presented to Ministers early in 2009.
- The GOE will continue to challenge, assure and assist in the development and agreement of an integrated security plan.

City Operations

- During spring 2009, the GLA will be leading a stakeholder group to oversee and plan the cross-cutting work required to deliver City Operations in London.
- The City Operations' programme of work will ensure the continuity of ordinary services, and a full response to the extraordinary demands of the Games.

Leaving a Legacy

2009 will be a critical year for the delivery of the London 2012 legacy, following the publication of the Legacy Action Plan in 2008.

The Free Swimming Programme will begin and the ODA will start work on its commitment to provide 250 new construction apprenticeships. Regeneration planning for East London will reach a critical phase with the development of key strategies setting out how the Park will be used after 2012. International Inspiration will roll out to a further five countries, while the Personal Best training programme will roll out across London and around the country. And, of course, our work on sustainability will continue apace.

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

- The Department of Health's physical activity plan will be launched in early 2009.
- The Mayor of London's Legacy Plan for London Sport will be published in spring 2009.
- The Department for Culture, Media and Sport's Free Swimming Programme for over the 60s and under 16s begins in April 2009.
- National Governing Bodies Whole Sport Plans begin in April using Sport England funding.
- Launched in January 2009, the Premier League 4 Sport scheme, involving the 20 Premier League clubs, will begin work to get 25,000 more children and young people participating in the four Olympic sports of badminton, judo, table tennis and volleyball by 2012.
- The 2nd National School Sports Week and the 4th UK School Games will be held in summer 2009.

Promise 2: Transform the heart of East London

- The long-term regeneration strategy for the Olympic Park and surrounding areas of East London – known as the Strategic Regeneration Framework – will be produced by the Host Boroughs, working with the LDA, the Greater London Authority (GLA), the Department for Communities and Local Government (CLG) and other partners.
- This will incorporate a Multi-Area Agreement between the Government and the Host Boroughs, addressing the themes of worklessness, housing and the public realm.
- To support the regeneration strategy, the Legacy Masterplan Framework will be published in 2009, setting out how the Olympic Park will be used after 2012 and what further development will take place. An extensive period of consultation and engagement will support the development of the legacy plans.
- To provide capacity and a long-term delivery focus, establishment of a legacy delivery vehicle is planned. This will continue the work of the LDA and will lead the regeneration of the area in partnership with other organisations.
- In January 2009, the Minister for the Olympics and Paralympics launched an online community hubs project to engage with the local people of East London about their hopes and concerns for the Olympic project and the future of the area. Work will continue throughout 2009.

Promise 3: Inspire a generation of young people

- LOCOG will continue to develop, roll out and promote the Get Set education programme, including increasing the number of Inspire Mark application for educational projects.
- Phase two of the International Inspiration programme will begin in Jordan, Ghana, Mozambique, Trinidad & Tobago and Bangladesh.
- The Government will launch its plans to deliver the volunteering legacy in spring 2009.

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

- London 2012 has committed to reduce the carbon-footprint of the Park by 2013. No one has ever tried to carbon footprint an event this size. The plans for how this will be delivered will be published in 2009.
- We have committed to recycle 90% of demolition and construction materials for the Park. We also want zero waste to landfill at Games-time. The plan for delivering this ambitious target will be published in 2009.
- London 2012 will source food from sustainable sources and the plans will be set out in 2009.
- London 2012 want to improve the local environment of the area around the Park and plans for how this will be done will be set out in 2009.
- We are committed to inspiring people across the UK to be more sustainable following London 2012. A detailed delivery plan will be published in 2009.

Promise 5: Demonstrate the UK is a creative, inclusive and welcoming place to live in, visit and for business

- Businesses will continue to get involved in wider 2012 opportunities such as in the tourism and media industries, increased inward investment and export potential – driving up skills and capabilities and economic legacy across the UK.
- The Personal Best programme is being rolled out across London during the first half of 2009, starting with Havering, Islington, Kensington and Chelsea, Westminster, Camden, Hackney, Lambeth, Lewisham, Southwark and Brent.
- Building on the success of Personal Best in London, the programme will also be offered across the UK.
- In January, London 2012 committed to provide 250 new construction apprenticeships over the course of the project, creating a total of 350 apprenticeship opportunities. The ODA will be working on plans to deliver this commitment during 2009.
- The findings of the British Tourism Framework Review will be published.



Workers operating the complex sorting machine to separate materials for recycling

Paralympic Games

The Paralympic Games are the second largest sporting event in the world and will be coming to London in 2012. London is aiming to go further than any previous Host City to ensure that both the Olympic Games and the Paralympic Games are accessible for everyone. After the Games, world-class sporting venues and the largest and most inclusive park in London will be left to help inspire a new generation of Olympic and Paralympic athletes.

Various steps are already underway:

- London 2012's Olympic and Paralympic Village has been designed from the outset as an accessible and inclusive community. It will be fully accessible to disabled people and comply with both the spirit and the intent of all relevant legislation. During the Games, the Village will provide some 17,000 beds to athletes and officials, all of which will be wheelchair-accessible.
- In legacy, the Olympic Village will provide up to 3,000 residential units, as many of which as is practicable will be built to Lifetime Homes Standards. In addition, at least 10% of these units will be fully accessible to wheelchairs.
- Public transport facilities serving the Olympic Park will be accessible to wheelchair users. The entire Docklands Light Railway network and all of London's 21,000 licensed black cabs are already accessible to wheelchair users, as is every London bus.
- The ODA is investing more than £100m to improve accessibility and capacity at Stratford Regional Station, which has capacity for 118,000 people at peak during the Games.
- The Department for Transport's (DfT) £370m programme has ring-fenced £35m a year until 2015 to provide obstacle free, accessible routes to and between platforms at priority stations. Work at 100 stations is due for completion by 2011.

But we can go further. The London 2012 Paralympic Games represent a once-in-a-generation opportunity to change attitudes towards disability, improve provision and access for disabled people and ensure our broad ambitions for legacy after 2012 apply to the entire population.

All key partners are determined to take a proactive approach to eliminating unlawful discrimination and making the greatest contribution we can to reducing inequalities, within the constraints of time and cost required by the Games programme.

The GOE has committed to producing a charter on disability and the Paralympic Games by spring 2009, following a Paralympic and Disability Summit that was held in October 2008.



Case study

London 2012 Paralympics and Disability Summit

Delivering a lasting legacy

In October 2008, Tessa Jowell MP, Minister for the Olympics and Paralympics, and Jonathan Shaw MP, Minister for Disabled People, hosted a high level summit meeting asking how the Paralympic Games can help to deliver a lasting legacy for disabled people.

Over 70 delegates, representing key organisations across the world of sport, the voluntary sector, the Government, London 2012 and the media discussed how the Paralympics can:

- help improve the status and perceptions of disabled people in society;
- improve provision for disabled people, before, during and after the Games in 2012;
- contribute to the legacy plans for London 2012.

Catalyst for Change

The October summit started a dialogue that will develop over the coming years to deliver a step-change in attitudes and provision for disabled people. The Paralympic Games will be the catalyst to shine the spotlight on this agenda, helping to shift public opinion.

Following on from the summit, the Government Olympic Executive (GOE) made a commitment to produce a charter on disability and the Paralympic Games by spring 2009.

As the Paralympic flag was raised outside City Hall in London in September 2008, Paralympic swimmer Chris Holmes MBE spoke out about the benefits that the competitions can have for social inclusion across the country:

"The Paralympic legacy has the potential to revolutionise the lives of disabled people, increasing employment opportunities and access to services."

The ODA is continuing to make excellent progress. The programme is now 25% complete and running on schedule and within budget.



Financial Report

The public sector funding package for the Games announced in March 2007 totalled £9.325bn and, of this total, £6.1bn including tax and £500m of contingency was identified as ODA budget. The financial breakdown and sources of funding for the whole £9.325bn package are set out in the following pages.

The overall £9.325bn funding package for the Games remains unchanged. While the ODA has been given access to around 25% of the contingency to meet the challenges posed by the current economic climate, about £1.5bn of contingency funds are still available within the £9.325bn total funding package. Good progress made across the programme has reduced the assessed value of risks, along with lower than anticipated construction inflation, so that the remaining contingency is sufficient to cover future risks.

Strong progress continues to be made on the Olympic Park: 80% of the site has been cleaned and cleared, the construction of the power-line tunnels and removal of the overhead pylons is complete and construction work on the main venues remains on schedule.

On 30 June 2008 the Public Accounts Committee *"congratulate(d) the Olympics delivery effort on what the National Audit Office itself identifies as the construction programme being broadly on track, good practice being evident in the way procurement is being handled, the cost estimates having been developed, and now a clear baseline for assessing costs and progress in the delivery of venues and associated infrastructure"*.

In order to support and maintain this level of progress, in January 2009 the Ministerial Funders Group agreed that the ODA should be given access to a total of £394m from the Olympic Funders Group contingency, the part of the budget designed to guard against risks outside the control of the ODA.

The use of contingency funds was needed to meet a shortfall in private sector funding as a result of the global economic downturn, and was allocated to support the building of the Olympic Village and International Broadcast Centre/Main Press Centre (IBC/MPC).

The £326m extra funding for the Olympic Village includes the £95m announced last year and will allow works to continue whilst the ODA continues to negotiate with the preferred private developer, Lend Lease, and the banks regarding private investment for the Olympic Village.

The IBC/MPC will now be funded entirely from the Olympic budget. The public sector will retain ownership of the asset and receipt of all revenues from its sale after 2012.

Funding package for the Games

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

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

Table 1: Breakdown of the £9.325bn funding package

		£m	£m	£m
Total public sector funding package				9,325
ODA	ODA Base costs inc VAT		6,127 [*]	
	Programme Contingency		968	
	Funders' contingency		1,004	
Total available to ODA				8,099
Non ODA	Elite and community sports	290 ^{**}		
	Paralympic Games	66 ^{***}		
	Look of London	32 [†]		
			388	
	Security	600		
	Security contingency	238		
			838	
Total Non ODA				1,226

Table 1 footnotes:

* Following Funders' Group approval of £37m for additional landscaping costs, this entry was absorbed into the ODA's baseline; taking the ODA baseline budget from £6.090bn to £6.127bn.

** 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:

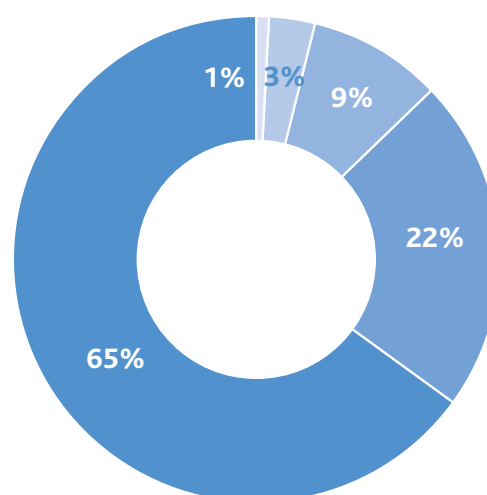
- Programmes of support for elite athletes and coaches;
- Development of facilities for elite and community use; and
- Community programmes/projects for clubs, coaches and volunteers, to increase participation and improve performance.

Sport England, for example, provided funding for the Lea Valley Athletics Centre, which is used by the local community and elite athletes, contributing to our world-class performance goals as well as to the legacy goal of getting two million people more active by 2012, including one million through sport.

*** 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.

Figure 1: Overview of £9.325bn funding package



- 1% Additional support for Paralympic Games and Look of London
- 3% Elite and community sport
- 9% Wider policing and security (inc. Security Contingency)
- 22% ODA Programme and Funders' Contingency
- 65% ODA base budget (excl. ODA Programme and Funders' Contingency)

Sources of funding

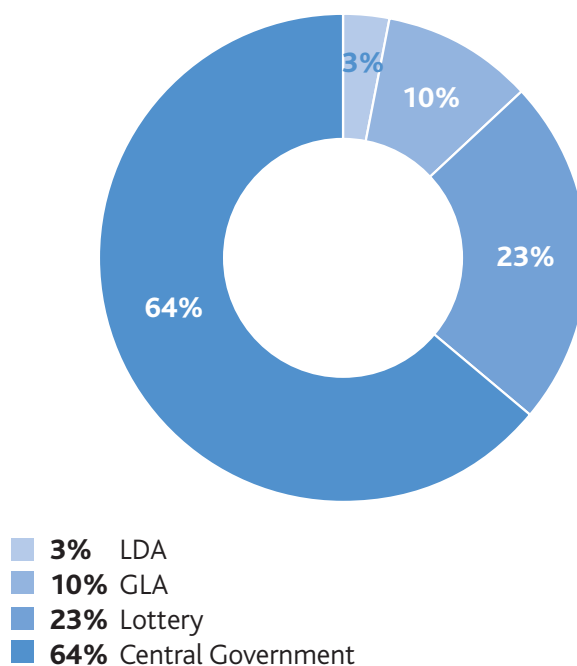
Of the £9.325bn funding package, almost £6bn will come from Central Government comprising contributions from the Department for Culture, Media and Sport (DCMS), Communities and Local Government (CLG) and the Department for Transport (DfT). Central Government funding for the Games for the period 2008-09 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 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.

Figure 2: Sources of funding

Funding from:	Total contribution £bn
Lottery	2.175
London (GLA and LDA)	1.175
Central Government	5.975
Total	9.325



ODA programme progress (as at quarter ending September 2008)

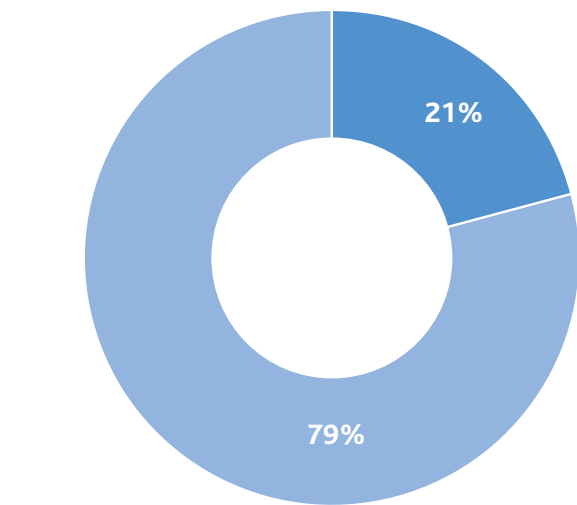
The ODA is continuing to make excellent progress. In September 2008, the programme was 25% complete and running on schedule and within budget.

The baseline budget for the ODA remained at £7.1bn as announced in March 2007 and confirmed at the end of 2007. However, as was envisaged when the programme began, it has been necessary to allocate some contingency to address the inevitable changes necessary in a programme of this scale and complexity. At the same time, substantial savings have been achieved.

Construction works are progressing on time and there is currently no threat to the readiness of any facility for the 2012 Games, including, despite the funding difficulties described below, the Village and IBC/MPC.

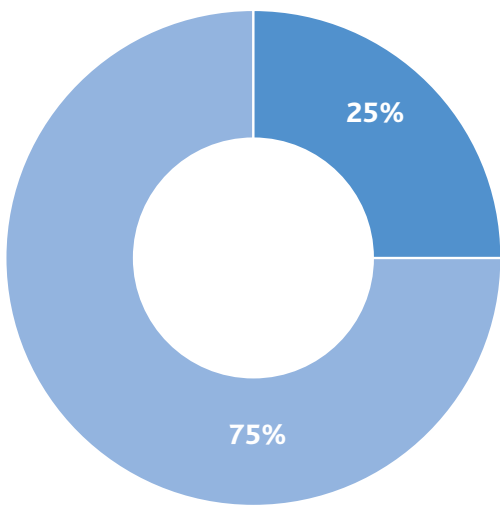
Figure 3: ODA programme progress (as at quarter ending September 2008)

Amount of £9.325bn public sector funding package spent to end September 2008



■ 21% Spent
■ 79% Remaining

ODA programme completed to end September 2008



■ 25% Programme completed
■ 75% Programme remaining

Savings (as at quarter ending September 2008)

Since the beginning of the 2008/09 financial year £186m of savings have been identified, predominantly in relation to Structures, Bridges and Highways, Logistics, Transport and Enabling Works. Some of these savings have been apportioned to the ODA's £50m target savings, as set in the November 2007 Programme Baseline Report. This target has now been achieved and some of the rest of the savings have been apportioned to offset emerging cost pressures. The remaining £63m of savings have been retained within the ODA budget to cover future cost increases. In the light of these changes, budgets have been adjusted for those projects requiring additional funding or delivering savings. This is reflected in Table 2 on page 49.

Contingency

This section describes the position prior to the meeting of the Funders' Group in January 2009, the outcome of which is set out on page 51.

The £1.972bn Programme Contingency potentially available to the ODA (within the £8.099bn maximum funding potentially 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% 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 the Olympic Lottery Distributor (OLD).

- **Funders' Group 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 the wider economic conditions, and to take the confidence level up to the 95% 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, so at the time of the Programme Baseline Report just over £1bn was available. The assessment of risks to be borne by the Funders' Group confirmed that the funding available exceeded the assessed value of the risks.

Access to Funders' Group Contingency of just over £1bn is subject to approval by the Ministerial Funders' Group following scrutiny by GOE and the Olympic Projects Review Group. Grant for any Lottery-funded element of Funders' Group Contingency is subject to approval by the OLD.

In addition to the £1.972bn contingency at programme level, there is £973m, within the ODA's base budget of £6.127bn, for contingency at project level. Project level contingency relates to risks on individual projects as if they were being carried out in isolation, such as design and contracting uncertainties.

ODA Programme Contingency (as at quarter ending September 2008)

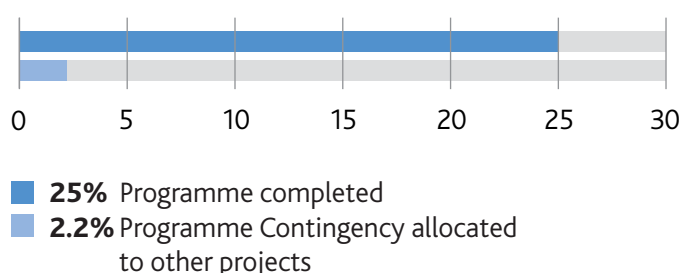
As at September 2008, £21.5m of £968m of Programme Contingency had been released – well within the range that might have been expected at this stage. This represents 2.2% of Programme Contingency, whilst the programme is over 25% completed.

The £21.5m Programme Contingency was released as a result of the net balance of funding required following:

- budget increases required to meet new scope for legacy requirements at the Aquatics Centre, for enhancing Sustainability, for Technical Reviews and for headhouses for the new powerlines; and
- savings arising on various other projects including Enabling Works, various Transport projects and Structures Bridges and Highways.

Figure 4 below presents the position as at September 2008. An updated overview of the programme completed and total Programme and Funders' Contingency released at January 2009, can be found in the subsequent section: 'January 2009 Funders' Group decisions.'

Figure 4: Programme Contingency allocated on ODA programme completed to end September 2008



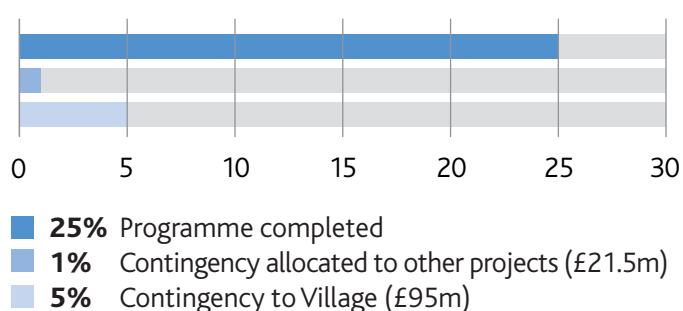
Funders' Group Contingency (as at quarter ending September 2008)

To get the development of the Village under way on time the Funders' Group agreed in July 2008 that the ODA could spend up to £95m to keep work on track this financial year. No other allocation of Funders' Group Contingency had been made by end September 2008.

Overall contingency position

In total, therefore, at the end of September around 5% of the total £2bn Funders' Group and Programme Contingency had been agreed to be spent on the Village and around 1% on other projects, as shown in Figure 5 below.

Figure 5: Programme and Funders' Contingency to end September 2008



Overall programme position

The whole ODA programme, including the quantification of risks, is reviewed each quarter. The effects of the emerging cost pressures and saving opportunities, identified in the September 2008 quarterly update, are reflected in Table 2 on page 49.

In a programme of this size, it is inevitable that there will be upwards and downwards movements, within the funding package, over the life of the programme. Table 2 reflects, as well as the original baseline budget, agreed changes to project budgets as at September 2008, for example where savings have been achieved or contingency released, and a forecast of the potential final cost to the public sector, taking into account all known cost pressures and opportunities at September 2008. The total potential final cost identified assumes the use of all remaining Programme Contingency which is not yet allocated. Efforts continue to keep projects to budget and to identify savings that will ensure that budgets are not exceeded.

Savings have been realised in the cost of Site Preparation and Infrastructure, Transport projects, and Other Parkwide projects – these are reflected in the 'September 2008 Budget' column in Table 2 on page 49.

- On Site Preparation and Infrastructure, £114m of savings had been achieved as at September 2008, leading to an adjusted September 2008 budget of £1,865m. Following this, potential cost pressures of £16m have been identified against the £114m savings already achieved. The savings are due to:

- Lower than expected levels of contamination
- Improved contractor performance
- The contract packages let so far achieving values less than the pre-tender estimates.

- On Transport projects, £33m of the potential £80m savings had been realised as at September 2008, bringing the total transport projects budget down from £897m to £864m. Having already delivered savings on the Orient Way project (completed in autumn 2008), challenging targets have been set to achieve the remaining anticipated savings across the transport projects. This also follows the successful opening of the Woolwich Arsenal extension to the DLR, which opened one month ahead of schedule in January 2009.
- On Other Parkwide projects, £14m savings have been achieved on the logistics for site construction project through efficiency savings on a number of logistic sub-projects.

The cost pressures are mainly emerging in relation to venue projects:

- On the Olympic Stadium, in July 2008 we reported a potential final cost of £525m. The September 2008 forecast of the potential final cost showed a £22m potential increase on this, at £547m, due to a combination of:
 - The outcome of the contract price negotiations – reflecting the development of the design, and the lack of competitive tension in the procurement; and
 - Cost pressures resulting from additional scope requirements. For example, arising from structural amendments to the roof to meet loading requirements for the Opening and Closing ceremonies and provision for an external Stadium wrap, following detailed analysis of the most functionally beneficial and cost effective finishing for the Stadium.

- On the Aquatics Centre, the September 2008 forecast of the potential cost was £251m, £37m more than the November 2007 baseline of £214m and an increase of £5m on the position reported in July 2008. Most of the increase can be accounted for by the transfer of £28m of the cost for the F10 Bridge (that had a November 2007 baseline of £89m), which since November 2007 now forms part of the Aquatics Centre roof. Thus the November 2007 baseline for the Aquatics Centre and the F10 Bridge, combined, was £303m (£214m plus £89m), compared with the September 2008 forecast potential cost of £313m for them combined. The latest forecasts also include potential scope changes, such as additional athlete facilities, and increases in scope to allow for enhanced community use of the venue in legacy.
- On other venues, emerging pressures continue to be worked through on a number of projects. For example, there is a cost pressure of £25m on the Velodrome due to more complex foundations and ground conditions taking the budget to £105m. However, this increase has been offset by savings made on other projects such as Enabling Works – the work to clean up the site.



An artist's impression of accommodation at the Olympic Village on the Olympic Park

Table 2 shows that at September 2008, if all identified cost pressures and opportunities materialised, including those on the Village and the IBC/MPC, they would together result in a £318m increase in the potential final cost of £7.1bn identified in November 2007 – this largely reflecting the impact of the current global economic climate on the Olympic Village and IBC/MPC projects. This is well within the budget available for the ODA and we will continue to push down on costs to stay within budget. Excluding the Village and IBC/MPC, overall cost savings have exceeded cost increases.

Table 2 footnotes:

* Following Funders' Group approval of the £37m for landscaping, this entry is now shown as part of the total Site Preparation and Infrastructure costs.

** The Quantified Risk Assessment (QRA) for the financial quarter ending 30 September 2008 assessed risks across the programme at £879m against remaining Programme Contingency funds of £947m, leaving a potential surplus of £68m.

*** As the financial consequences remain unresolved (until deals are finalised), Table 2 continues to reflect the position based on the original Village and IBC/MPC deals, and the estimated additional public sector funding required as at September 2008. To get the development of the Village under way on time the Funders' Group of Ministers agreed in July 2008 that up to £95m could be spent this financial year; with funding arrangements expected to be finalised by spring 2009, as set out later in the report.

† The November baseline budget included target savings of £50m. These savings have been achieved and are reflected in the figures above, as are the additional £63m of "retained savings," which are yet to be assigned to emerging cost pressures.

†† Based on the findings of the Quantified Risk Assessment carried out each quarter (in this case to September 2008), this column presents what the potential cost to the public sector may be taking into account all known cost pressures and opportunities. Having this information on potential cost, forms one of the many control measures that allows us to manage movements within the funding package (in an evidence based manner) in order to continue our work to push down on costs to stay within budget.

††† The total potential September 2008 AFC of £7.413bn included the Village and IBC/MPC funding pressures known at the time.

Table 2: Detailed breakdown of the ODA budget at September 2008 (£m)

		Original Nov 2007 Budget £m	Change £m	Sept 2008 Budget £m	Potential Changes £m	Sept 2008 potential cost to the public sector taking into account cost pressures and opportunities £m ^{††}
Site Preparation and Infrastructure	Powerlines	282	16	298	4	302
	Utilities	256	0	256	0	256
	Enabling Works	364	(47)	317	0	317
	F10 Bridge	89	(27)	62	0	62
	Other Structures, Bridges and Highways	740	(45)	695	10	705
	Prescott Lock	5	0	5	0	5
	Other infrastructure (Greenway, landscaping)*	243	(11)	232	2	235
	Total Site Preparation and Infrastructure	1,979	(114)	1,865	16	1,881
Venues	Stadium	496	8	504	43	547
	Aquatics	214	32	246	5	251
	Other Olympic Park venues	360	61	421	25	446
	Non-Olympic Park venues	101	(2)	99	24	123
	Total Venues	1,171	99	1,270	97	1,367
Transport	Stratford Regional Station	119	0	119	0	119
	DLR	86	0	86	0	86
	Thorntons Field	47	(24)	23	0	23
	North London Line	110	(3)	107	0	107
	Other transport capital projects	178	(8)	170	(7)	163
	Other transport operating expenditure	357	2	359	(40)	319
	Total Transport projects	897	(33)	864	(47)	817
Other Parkwide projects	Logistics for site construction	337	(14)	323	0	323
	Section 106 and Master Planning	127	0	127	0	127
	Insurance	50	0	50	0	50
	Security for park construction	354	0	354	0	354
	Total Other Parkwide projects	868	(14)	854	0	854
Media Centre and Olympic Village ^{***}		492	99	591	255	846
Programme Delivery		647	17	664	13	677
Taxation and interest		73	(1)	72	20	92
Total baseline budget before Programme Contingency		6,127	53	6,180	354	6,534
ODA Programme Contingency		968	(21)	947	0	947
Retained savings [†]			63	63		63
Total after ODA Programme Contingency		7,095	95	7,190	354	7,544
Available Programme Contingency ^{**}						(68)
Retained savings [†]						(63)
Total Potential Anticipated Final Cost (AFC)						7,413^{†††}
Remaining contingency		1,004				
Maximum available for ODA		8,099	0	8,099	0	8,099

Since the September figures (detailed in Table 2 on page 49), the ODA budget has increased as a consequence of the Funders' Group meeting in January 2009. The Funders' Group agreed that the ODA should be given access to £394m for the Village and IBC/MPC projects (including the £95m agreed as an interim measure in July 2008), as explained in the section 'January 2009 Funders' Group decisions' on page 51. This is £40m more than was included in the September position reported above. The potential final cost to the public sector, taking into account cost pressures and opportunities, has also increased as £67m of the funding required for the IBC/MPC has been met by Programme Contingency, absorbing the Available Programme Contingency reported above.

As a result of these two changes, and other smaller changes as the programme has progressed up until 31 December 2008, the current forecast of the potential final cost of the programme, if all known cost pressures and opportunities were to materialise and assuming all Programme Contingency that has not been allocated were required, would be £7.520bn. This, representing an increase of £107m, was reported to the Funders' Group in January 2009.

Current economic climate and private investment

The current turbulence in the financial markets and the wider economy has presented challenges to the financing of the Olympic Village and the IBC/MPC. This means that both projects require additional public funding (from within the £9.325bn public funding package), due to the shortage of private sector funding and the deterioration in the property market as a result of the current global economic downturn.

Olympic Village

The Olympic Village is the largest project in the London 2012 programme, both in its value and in its physical scale. The Village will need to accommodate up to 17,000 athletes and officials during the Olympic Games, and over 6,000 during the Paralympic Games. Following the Games, the Village accommodation will be converted into up to 3,000 homes, around 30% of which are to be affordable housing.

The cost of building the Village and the necessary infrastructure is over £1bn. The Village was always planned as a private development deal, with the private sector covering the cost of vertical build, and public investment from the ODA covering the site infrastructure. However, the viability of this arrangement has been challenged significantly by the downturn in the financial and property markets.

As a result the deal is being restructured and requires more by way of public funding (which can be met from within the £9.325bn public sector funding envelope) in return for a higher share of profits from the sales after 2012.

Negotiations between the ODA and the preferred developer, Lend Lease, to establish a restructured deal have been progressing. Negotiations are also continuing with Registered Social Landlords (RSLs) in relation to the provision of affordable housing which also contributes to the funding of the overall project. In the meantime interim funding has been released to ensure that build of the Village progresses without delay and that it is ready on time.

International Broadcasting Centre/ Main Press Centre (IBC/MPC)

The IBC/MPC will provide a 24-hour media hub for around 20,000 broadcasters, photographers and journalists – who will bring coverage of the Games to an estimated 4 billion people world-wide.

As well as state-of-the-art facilities, the development will contain:

- Transport and welcome areas
- A multi-storey car park
- A broadcast studio with panoramic views
- A catering village
- An area dedicated to bus drop-off and pick-up of international journalists, media and broadcast staff covering the Games

Like the Village, the IBC/MPC was to have been funded substantially from a private developer's investment. The change in global economic conditions means that this is no longer available, so the IBC/MPC will be funded from within the £9.325bn public sector funding package. A number of options have been explored to ensure that we get the best balance between cost, Games delivery and Legacy, and to ensure that the buildings left in legacy have the flexibility to be adapted to a wide range of uses, to maximise the potential employment opportunities after the Games. Construction is planned to start in 2009 and is due to finish in July 2011.

January 2009 Funders' Group decisions

The Funders' Group met in January 2009 (shortly before the publication of this report) and agreed to allow the ODA to access £394m of Funders' Contingency, due to the shortage of private sector funding and the deterioration in the property market as a result of the current global economic downturn. This funding will be used for the IBC/MPC and the Olympic Village. Part of the funding required is controlled by the Olympic Lottery Distributor (OLD) and the OLD Board will consider the issue in due course.

The overall cost of the IBC/MPC has reduced from £380m to a new budget of £355m. The original budget assumed a private sector contribution of £160m which is no longer available, with £220m from the ODA budget. As a result, £68m of Funders' Contingency is being provided to bridge the funding gap. This allocation by the Funders' Group is in addition to £67m that is being made available from ODA Programme Contingency, to provide a total budget of £355m. The public sector will retain ownership of the asset and the ability to bring in private sector funding at a later stage.

The Funders' Group also agreed to allow the ODA access to a further £231m to maintain the momentum of the Olympic Village project while discussions on private sector financing continue. This follows the agreement last year that the ODA could spend an initial £95m this financial year. The total contingency for the Village is therefore £326m. The final budget will be announced when commercial negotiations are concluded.

The ODA is continuing to negotiate with Lend Lease (the anticipated private developer) and the banks, in terms of the private investment for the Olympic Village, and this decision on the funding available will enable good progress to continue to be made on site. Negotiations are also continuing with Registered Social Landlords (RSLs) in relation to the provision of affordable housing which also contributes to the funding of the overall project.

As a result of good progress being made by the ODA and lower than anticipated construction inflation, these recent allocations are affordable from the overall contingency funds available, and the contingency provision still available exceeds the assessed value of remaining risks. Alongside other contingency allocations, this means that around £1.5bn of contingency funds remain available. Further, the overall £9.325bn public sector funding package remains unchanged.

Contingency Conclusion (as at January 2009)

To date in summary, the ODA has been given access to the following Funders' and Programme Contingency:

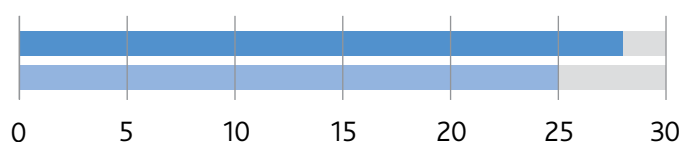
Table 3:

		Funders'	Programme
September 2008	Various – balance of funding gap after savings		21.5
November 2008	Olympic Stadium (primary strengthening)		8.2
	Handball Arena (acoustics and HD lighting)		2.3
December 2008	Handball Area (capacity)	2.4	
	Olympic Stadium (blast hardening)	0.7	
January 2009	Olympic Village and IBC/MPC	394.0	67.0
	Total	397.1	99.0

This means that in total as at January 2009, almost £500m of the £1.972bn contingency (i.e. c. 25%) has been allocated with around £1.5bn remaining for risks remaining in the programme.

The levels of programme completion and contingency released following the January 2009 Funders' Group are set out in the bar chart below:

Figure 6: Programme completed and total Programme and Funders' Contingency released following January 2009 Funders' Group



- **28%** Programme completed as at Jan 09 Funders' Group
- **25%** Contingency allocated as at Jan 09 Funders' Group

Expenditure against ODA budget (as at September 2008)

The Minister for the Olympics and Paralympics gave an undertaking to Parliament that, as part of the commitment to transparency on Olympic budget matters, regular information would be published on the spend incurred by the ODA in delivering its programme against the forecast profile of spend. Also as part of this commitment, Opposition spokesmen and the Culture, Media and Sport Select Committee are being briefed on a regular basis on the latest spend information.

Spend analyses at the end of September show that the ODA's expenditure of £1,418m was running at just £24m below the 2008/09 Annual Plan figure, but some £258m below the original baseline forecast at November 2007.

This variance reflects, as to be expected in a programme of this scale and complexity, a wide range of changes to the original profile, including:

- A number of planned changes in schedule, for example to allow for cost efficiencies through value engineering
- Changes in the timetable for payments associated with the Village deal, pending the conclusion of contractual negotiations
- Cost savings realised on the initial site clearance and Enabling Works
- Lower use of contingency than had been expected at this stage
- Some minor slippage on some of the Site Preparation and Infrastructure and Venues projects. However, these have not affected the critical path to delivery.



Workers discussing plans in the podium area of the Stadium site

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 key part of this is the long-term regeneration benefit to East London resulting from the Olympic investment. The Legacy Action Plan published in June 2008 shows how the regeneration brought about by the Games will have a lasting impact in terms of housing, jobs, transport and infrastructure in East London. The ODA baseline budget of £6.1bn referred to above 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% – 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 larger part of the ODA's contributions to the IBC/MPC, and to the Olympic Village, leading to the creation of up to 3,000 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

LOCOG budget (as at January 2009)

LOCOG's £2bn budget is funded almost entirely by private sources such as sponsorship, contributions from the IOC, ticket receipts and merchandise sales. Under the Host City Contract the UK Government contributes towards the cost of the Paralympic Games. This contribution is estimated at approximately £66m, which is included in the £9.325bn funding package.

As of January 2009, LOCOG has secured various private sector partners and suppliers for London 2012, including:

- Official Partners – Adidas, BA, BT, BP, EDF, Lloyds TSB and Nortel;
- Official Supporters – Deloitte, Cadbury's, and Adecco;
- Official Providers and Official Suppliers – Atkins, Boston Consulting Group and Airwave.

In spite of the challenging economic conditions, four of these sponsors, Adecco, Atkins, Boston Consulting Group and Airwave, were announced in January 2009.

LOCOG has raised around two-thirds of the domestic sponsorship it needs to stage the Games, which is unprecedented at this stage in the lifecycle of an Organising Committee.

London is now the next host city for the Summer Olympic and Paralympic Games. The spotlight turns to us as we look to 2009 and focus on the challenges ahead.



Framework of steel rakers on the Olympic Stadium,
December 2008

**London 2012 will be a
defining moment for the
UK in the 21st century.**



Annex A: Previous financial reports

London 2012 Olympic and Paralympic Games Annual Report: January 2008 – the first Annual Report for the Games. Providing details on:

- the background to the budget for the 2012 Olympic Games and Paralympic Games and associated infrastructure;
- how the public funding package had been developed from the time of the bid through to the Minister for the Olympics and Paralympics' announcement of the revised funding package in March 2007;
- the breakdown of the ODA budget (announced in December 2007), and a summary of the £9.325bn funding package.

www.dcms.gov.uk/reference_library/publications/3582.aspx

London 2012 Olympic and Paralympic Games: July 2008 update report – detailing achievements from January to June 2008, and providing a financial update for the period 1 January to 31 March 2008.

www.dcms.gov.uk/reference_library/publications/5293.aspx

Other relevant reports

ODA Programme Delivery Baseline Report

Provides a detailed description of the scale of works to deliver the venues and infrastructure needed for the London 2012 Games – January 2008

www.london2012.com/documents/oda-publications/programme-delivery-baseline-report.pdf

London 2012 Olympics Legacy Action Plan

Outlines the long-term benefits that we can stimulate through London hosting the Olympic Games and Paralympic Games in 2012 – June 2008

www.dcms.gov.uk/reference_library/publications/5161.aspx

ODA's 'The Big Build: Foundations' Report

Provides an update on the progress made against the ODA's ten milestones to the Beijing Games 2008 and sets out the ODA's next set of milestones from July 2008 to July 2009

www.london2012.com/documents/oda-publications/big-build-foundations.pdf

ODA's 'Dig, Demolish, Design: Milestones to Beijing' Report

Provides an update on progress made towards the ODA's ten milestones to Beijing 2008 – December 2007

www.london2012.com/documents/oda-publications/demolish-dig-design-update.pdf

Annex B: Glossary of terms and references

Glossary

BOA	British Olympic Association	LOCOG	London Organising Committee of the Olympic Games and Paralympic Games Limited
BPA	British Paralympic Association		
CLG	Communities and Local Government	MfO	Minister for the Olympics and Paralympics
CSR	Comprehensive Spending Review	NAO	National Audit Office
DCMS	Department for Culture, Media and Sport	NDPB	Non-departmental public body
Defra	Department for Environment, Food & Rural Affairs	NGBs	Non-Governmental Bodies
DfT	Department for Transport	OB SG	Olympic Board Steering Group
ED(OPG)	Ministerial Committee on Economic Development, Sub-Committee on the Olympic and Paralympic Games	ODA	Olympic Delivery Authority
GLA	Greater London Authority	OJEU	Official Journal of the European Union
GOE	Government Olympic Executive	OLD	Olympic Lottery Distributor
IAAF	International Association of Athletics Federations	OPRG	Olympic Projects Review Group
IBC/MPC	International Broadcasting Centre/Main Press Centre	OPRSG	Olympic Park Regeneration Steering Group
IOC	International Olympic Committee	PAC	Public Accounts Committee
IPC	International Paralympic Committee	PSA	Public Service Agreement
JVA	Joint Venture Agreement		
LAP	Legacy Action Plan		
LDA	London Development Agency		
LMF	Legacy Masterplan Framework		

References

Page 7

Legacy Action Plan – ‘Before, during and after: making the most of the London 2012 Games’

www.culture.gov.uk/images/publications/2012LegacyActionPlan.pdf

This document is the first edition of the legacy action plan. It tells a coherent story about what the priorities are for the long-term benefits from the London 2012 Games.

Legacy Action Plan – Five Promises

www.culture.gov.uk/images/publications/2012LegacyActionPlan.pdf

This action plan is about the long-term benefits that we can stimulate through London hosting the Olympic Games and Paralympic Games in 2012. It builds on ‘Our Promise for 2012’, published in June 2007, which made five promises to set the scale of our ambition:

1. To make the UK a world-leading sporting nation
2. To transform the heart of East London
3. To inspire a generation of young people
4. To make the Olympic Park a blueprint for sustainable living
5. To demonstrate the UK is a creative, inclusive and welcoming place to live in, visit and for business.

Page 8

London 2012 Transport Plan (edition 1)

www.london2012.com/plans/transport/getting-ready/transport-plan.php

This plan sets out the ODA/LOCOG strategy for moving athletes, members of the Games family, spectators and Games staff around London for the duration of the Games, while minimising any disruptive effect on the broader UK transport network. The key aspect of the plan is to make London 2012 a ‘public transport Games’.

Page 13

Inspire Mark

www.london2012.com/about/our-brand/inspire-programme.php

The Inspire Mark was launched in June 2008 by the GOE and LOCOG to promote non-commercial projects and programmes which have been inspired by the Olympic and Paralympic Games. Developed from the core London 2012 brand, the Inspire Mark is awarded to a limited number of high quality, non-commercial projects and programmes that are inspired by the London 2012 Games and seek to deliver sport, volunteering, environment, education and business opportunity outcomes.

Pre-Games Training Camps Guide

trainingcamps.london2012.com

Facilities across the UK were invited to apply for inclusion as a Games Training Camp. Final decisions were announced in March 2008 for Olympic sports and May 2008 for Paralympic sports. LOCOG was assisted in assessing submissions by National Governing Bodies (NGBs), who provided sport-specific feedback; and national and regional sports councils, who conducted additional site visits as required. The whole process was overseen by a steering group, made up of the British Olympic Association, the British Paralympic Association, the English Institute of Sport and the sports councils of England, Scotland, Northern Ireland and Wales.

Page 23

Sport England Strategy

www.sportengland.org/sport_england_strategy_2008-2011.pdf

This reviews Sport England's strategy for addressing the fundamental challenges facing community sport in England for the period 2008-11. An unprecedented level of consensus means that Sport England will focus on the creation of a world-leading community sports system which will ensure that a substantial and growing number of people from across the community play sport; talented people from all backgrounds are identified early, nurtured and have the opportunity to progress to the elite level; and everyone who plays sport has a quality experience and is able to fulfill their potential.

Fit for the Future incentive scheme

www.culture.gov.uk/reference_library/media_releases/5162.aspx

This initiative was part of a package of measures in the Legacy Action Plan: Before, During and After: Making the most of the London 2012 Games, which includes new programmes and builds on existing ones which have been enhanced and inspired by the UK's hosting of the Games.

Page 24

Legacy Masterplan Framework

[www.legacy-now.co.uk/userfiles/file/Legacy_Launch_Event_Summary_Report\(3\).pdf](http://www.legacy-now.co.uk/userfiles/file/Legacy_Launch_Event_Summary_Report(3).pdf)

The Legacy Masterplan Framework will be an integrated spatial masterplan, addressing key physical, economic, social and environmental drivers of change for legacy development. It will provide a framework for future legacy development within the Olympic Park site by establishing a shared vision and development objectives and principles, inform an outline planning application and direct subsequent detailed proposals, and inform emerging and future planning policy.

London Calling

www.2012londoncalling.co.uk

The Olympic Quarter post-2012 is the most exciting opening for businesses, entrepreneurs and investors in a generation. The UK public sector is guiding this transformation and London Calling is tapping into the private sector's world-class skills, innovation, experience and finance to deliver the legacy vision.

Page 25

Who do we think we are?

www.wdwtwa.org.uk

This is an educational programme engaging primary and secondary school teachers in the exploration of identity, diversity and citizenship with children and young people – in their schools, local communities and nationally.

Get Set Education Programme

getset.london2012.com/home

This programme encourages children and young people across the UK to learn about the Games and explore the Paralympic Values of inspiration, determination and equality, as well as the Olympic Values of respect, excellence and friendship. Highlights include free, flexible resources targeted at specific age groups between 3-19 years-old. They include inspirational videos, interactive games, fact sheets and news articles. Schools and colleges can also join the Get Set network, receiving rewards, recognition and endorsement for work around the Values. The programme fits alongside the school curriculum.

Page 28

London 2012 Sustainability Plan – 2008 Update

www.london2012.com/documents/locog-publications/sustainability-plan-december-08.pdf

This report provides a progress update on the London 2012 Sustainability Plan, Towards a One Planet 2012, published in November 2007 by London 2012 in partnership with the 'London 2012 Stakeholders'. This plan had been developed in partnership by all members of the London 2012 family (Government, GLA, LDA, LOCOG, ODA, BOA) and covers the five main themes of London 2012's sustainability policy throughout the Games process (building, staging and in legacy): climate change, waste, biodiversity, inclusion and healthy living. The plan will be updated annually, forming the basis of how London 2012 intends to achieve a sustainable Games, setting out achievements so far, key commitments and targets and challenges ahead.

London 2012 Business Network

www.london2012.com/get-involved/business-network/index.php

The Business Network helps companies compete for Games-related business opportunities directly with London 2012 or with suppliers in its supply chain. Part of the Business Network is the new 'CompeteFor' service, a business 'dating agency' that matches companies to thousands of opportunities supplying London 2012 contractors. Companies are encouraged to advertise their opportunities through CompeteFor with up to 20% of all London 2012 supply chain opportunities expected to go through the system. The Business Network also has details of the latest London 2012 business events and information to help businesses get involved.

Page 29

ODA's Employment and Skills Strategy

www.london2012.com/documents/oda-publications/employment-and-skills-strategy-feb-08-low-res.pdf

In February 2008 the ODA published a strategy to outline how it will create new jobs, increase sustainable skills among local people and improve links between employers. It includes 'London 2012 Jobs', a jobs brokerage service run in partnership with Jobcentre Plus, that will match candidates in the five Host Boroughs (Hackney, Newham, Tower Hamlets, Waltham Forest and Greenwich) and elsewhere in the UK with Olympic Park job opportunities.

Footnotes

Footnote 1

Correspondence type	Correspondence explanation	Total correspondence received and answered
House of Commons Written and Oral Questions	Questions asked by Members of Parliament to the Minister for the Olympic Games and Paralympic Games on London 2012 and related matters	358
House of Lords Written and Oral Questions	Questions asked by Members of Parliament to the Government on London 2012 and related matters	17
Ministerial Correspondence	These are letters from Members of Parliaments (MP), directors and chief executives of large organisations to be answered by the Minister for the Olympic Games and Paralympic Games	1,327
General Correspondence	These are letters from the general public about London 2012 which are answered by the GOE	953
Total		2,655

Annex C: Running the Games – who does what

The main delivery agents for the 2012 Games are the ODA, with responsibility for delivering the permanent venues and infrastructure, and LOCOG, with responsibility for hosting and staging the Games. The ODA and LOCOG work closely with GOE, which in turn reports to the Minister for the Olympics and Paralympics.

The Olympic Board

The Olympic Board has strategic oversight of the overall Olympic Programme and is responsible for coordinating the successful delivery of the Games and securing a sustainable legacy. The Board's four members are the Minister for the Olympics and Paralympics, the Mayor of London, the Chair of LOCOG and the Chair of the British Olympic Association (BOA). The Chair of the ODA also attends, as does the Minister for Sport and the Metropolitan Police Commissioner.

The Board meets once a month, with the Chair alternating between the Mayor of London and the Minister for the Olympics and Paralympics. The Board is supported by a secretariat and a senior officials group, known as the Olympic Board Steering Group (OBSG).

GOE

The Department for Culture, Media and Sport (DCMS) is the host department of the London 2012 Olympic and Paralympic Games. 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. The Government Olympic Executive (GOE) has been set up within DCMS to ensure the Games are delivered on time and on budget and that they benefit the whole of the UK. This includes overseeing the entire London 2012 project, identifying and solving problems, delivering the public sector effort and being accountable to Parliament and to the public.

Minister for the Olympics and Paralympics: Tessa Jowell MP

Director General: Jeremy Beeton

LOCOG

A private company limited by guarantee, the London Organising Committee of the Olympic Games and Paralympic Games Limited (LOCOG) is responsible for hosting and staging the London 2012 Games. LOCOG raises its own income through a variety of sources including ticket sales, sponsorship, merchandising and the International Olympic Committee (broadcasting revenue, TOP sponsor programme). It also receives a small percentage of its income from the Government towards the cost of the Paralympic Games.

Chair: Sebastian Coe

Chief Executive: Paul Deighton

ODA

The Olympic Delivery Authority (ODA) was established by the London Olympic and Paralympic Games Act 2006 and is responsible for building the permanent venues and infrastructure needed for the Games. The ODA is a non-departmental public body (NDPB) whose Board is appointed by the Minister for the Olympics and Paralympics (in consultation with the Mayor of London) and is responsible to GOE. The ODA is the primary recipient of support from the public sector funding package which comprises funding from the Government, the Lottery and the Mayor of London.

Chair: John Armitt

Chief Executive: David Higgins

LDA

The London Development Agency (LDA) is responsible for jobs, skills and growth across the capital, for delivering and maximising long-term sustainable benefits to London's communities and economy, and for supporting business to make the most of opportunities from the 2012 Games. This includes: being largely responsible for the post-Games transformation of the Olympic Park and its surrounding areas; working with partners such as the Learning and Skills Council and Job Centre Plus to ensure Londoners have the right skills at the right time to access the opportunities arising from the Games and their legacy; encouraging business and maximising tourism revenue and marketing benefits from hosting London 2012.

Mayor of London

The Mayor of London is a signatory to the Host City Contract and co-chairs the Olympic Board. The Mayor leads on the delivery of the legacy of the 2012 Games for London and has particular responsibility for ensuring that Londoners benefit as much and as widely as possible from hosting the Games. To deliver this objective, he works closely with the GLA Group: the GLA; Transport for London; the Metropolitan Police Authority; the LDA; and the London Fire Brigade.

Mayor of London: Boris Johnson

Director of Olympics:
Neale Coleman

GLA

The Greater London Authority (GLA) is the strategic authority for the Government of London accountable to the Mayor of London. It has strategic responsibility for the legacy of the 2012 Games for Londoners and the regeneration of East London communities and their environment.

BOA

The British Olympic Association (BOA) is a signatory to the Host City Contract. It is responsible for selecting, leading and preparing the nation's finest athletes at the Olympic Games and Winter Olympic Games.

Chair: Colin Moynihan

Chief Executive: Andy Hunt

BPA

The British Paralympic Association is responsible for selecting, preparing, entering, funding and managing Britain's teams at the Paralympic Games and Winter Paralympic Games.

Chair: Tim Reddish

Chief Executive: Phil Lane

ED (OPG)

The Economic Development (Olympic and Paralympic Games) Cabinet Sub-Committee is the official Cabinet Committee for policy on the Olympics. It co-ordinates and oversees issues relating to the London 2012 Olympic and Paralympic Games and reports as necessary to the Committee on Economic Development and receives reports from the Committee on National Security, International Relations and Development (Protective Security and Resilience Sub-Committee).

Funding partners

These organisations are external to central Government and contribute to the public sector funding package. They are the Greater London Authority (GLA), the Olympic Lottery Distributor (OLD), the London Development Agency (LDA) and Sport England.

Ministerial Funders' Group

A Ministerial Funders' Group manages the contingency for the ODA programme-wide risks. It was established by a co-funders' agreement between the Paymaster General and the Minister for the Olympics and Paralympics, the Secretaries of State for Transport and for Communities and Local Government, the Chief Secretary to the Treasury and the ODA. The Ministerial Funders' Group is chaired by the Chancellor of the Exchequer.

OLD

The Olympic Lottery Distributor's remit is to ensure proper, timely and effective distribution of Lottery money to fund any facility, function or service it considers necessary or expedient for the delivery of the London 2012 Olympic and Paralympic Games.

Chair: Janet Paraskeva

Chief Executive: Mike O'Connor

The five Host Boroughs

The Host Boroughs are responsible for securing opportunity and legacy benefits from the 2012 Games for the immediate communities in East and South East London. They are: Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest.

Nations and Regions Group

The London 2012 Nations and Regions Group has been established within LOCOG and is chaired by Charles Allen. Originally set up to galvanise UK-wide support and engagement, it now has a dual focus to:

- promote local involvement in Games-time activity (eg Cultural Olympiad, Volunteering) – in partnership with LOCOG; and
- pursue a UK-wide legacy – in partnership with DCMS

Scotland, Wales and Northern Ireland and each English region has put forward its own representative for the group – often this is the Chair of the Regional Development Agency or the Regional Sports Board.

Local Government has a crucial role to play in spreading the benefits of the 2012 Games across the UK and securing a lasting legacy. 2007 saw many local authorities leading the legacy vision in their communities – councils are recognising how the Games can be a powerful catalyst in accelerating programmes or re-casting priorities, such as raising participation in culture, sport and volunteering. In particular, local authorities are engaging with the Nations and Regions Group to drive this agenda forward.

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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January 2009

Design: red-stone.com

Photography: All images kindly supplied by the ODA
and LOCOG except:

cover: Getty Images and iStockphoto

inside front cover: Getty Images/Candoco Dance Company

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page 7: Getty Images

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department for
culture, media
and sport

2-4 Cockspur Street
London SW1Y 5DH
www.culture.gov.uk