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The background of the cover is a photograph of the London 2012 Olympic Stadium, also known as the 'The Nest'. The stadium's distinctive red, lattice-like steel structure is the central focus, with several large, circular, metallic panels visible. The sky is a clear, bright blue with a few wispy clouds. A semi-transparent dark grey horizontal band is overlaid across the middle of the image, containing the main title text.

# 2012 London Olympics

British Politics and Policy Blog  
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# British Politics and Policy at LSE eCollections

[British Politics and Policy at LSE](#) eCollections bring together key articles from the blog on specific themes so they can be downloaded and read as a short series. We hope these will form a useful resource for academics, students and those interested in particular issues that are covered more extensively online. We welcome comments and suggestions as to themes for future eCollections.

## Introduction

The London 2012 Olympic Games were an acclaimed success for both their sporting achievements and also for overcoming serious pessimism about the UK's ability to organise such a monumental event. Despite spiralling costs, serious security concerns and criticism about the over-involvement of corporate sponsors, the planners and organizers were celebrated alongside Team GB's athletes.

Debate will now focus on quantifying the benefits of hosting the Olympics, both in terms of improved infrastructure in a neglected part of east London and increased participation in sport. But this needs to be compared to the costs: the Games cost the hosts an estimated £8.9 billion.

[British Politics and Policy at LSE](#) ran a series on the London Olympics in June and July 2012. This eCollection is a select sample of some of the most interesting posts from that series. Access to the full spectrum of articles on this theme is [available online](#).

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# The average cost overrun for producing the Olympic Games has been more than 200% since 1976

Published: 25 July 2012

[Will Jennings](#) explores the history of vast cost overruns for Olympic Games. He isolates three common factors behind grossly underestimated costs since 1976: the bid process, uncontrolled growth in project specifications, and the failure to identify and manage risk.

As recently as March, the Public Accounts Committee criticised the organizers of London 2012 for its rising security bill: "[It is staggering that the original estimates were so wrong.](#)" The more things change, the more they stay the same. "Olympic balance-sheets, like other budgets" wrote the organizers of the London 1908 Olympic Games "are in the habit of proving their healthy existence by a vigorous growth." This maxim has long been known in planning for the world's largest sporting event.

The final report of the first modern Olympics in 1896 reflected that the initial estimates had "vastly underrated" the cost of restoring the ancient Panathenaic Stadium in Athens, rising some 57 per cent from 585,000 to 920,000 Drachmas. Famously, the bid estimates of the Montreal 1976 Olympics were put at a modest C\$120 million, but suffered an eventual cost overrun of 1,250 per cent - leaving huge debts which took the city thirty years to pay off. All this after the Mayor of Montréal Jean Drapeau had famously declared "The Olympics can no more have a deficit than a man can have a baby." Despite an increasing concern on the part of host cities with managing risk, the problem of cost over-runs does not seem to have been resolved in recent times.

In [Olympic Risks](#) I document the systematic occurrence of cost overruns at Olympic Games since 1976, and explore some of the reasons why initial forecasts turn out to be so wrong. This research is the first to combine systematic analysis of Olympic cost overruns over time and an examination of their causes. Between 1976 and 2012, the average cost overrun from the estimates presented in the bid book to the final cost was more than 200 per cent. This far exceeds the average cost overrun on other major projects identified in [existing studies](#). It is also despite considerable efforts on the part of the International Olympic Committee over the past decade to make the evaluation of bids more rigorous via the technical requirements of its candidature process.

There are many explanations of cost inflation in major projects, ranging from 'optimism bias' or 'group think' in decision-making, deception on the part of planners, poor project management, and failures of the political system itself to provide oversight. Through an investigation of the factors behind each Olympic cost overrun, from Montreal in 1976 to London in 2012, a number of common themes emerge.

## 1. The bid process

The IOC's Olympic Games Study Commission has itself expressed concern that the competition for the right to the host the Olympic Games, awarded through a secret vote of the membership of the IOC, encourages 'showcasing' by applicant cities in their submissions. Indeed, bid books have been described by Richard Pound, former Vice President of the IOC, as being the 'most beautiful fiction'. A feasibility study conducted for the British Olympic Association ahead of London's bid itself expressed the need for 'escaping from the world of realism' when considering what a bid might look like. The short-term interest in securing the event can lead to under-estimation of the commitment required. As a consequence, the version of events that are presented in bid dossiers often have little resemblance to the real thing.

## 2. Scope creep

One of the most prominent causes of cost overruns in project management is 'scope creep' (i.e. uncontrolled growth in project specifications). This can result from inadequate definition of the project scope or poor controls in management (it can also result from drift in the preference of planners). For example, changes to the design of the stadium roof led to cost pressures for the main stadium for London 2012. Another crucial source of scope creep is unanticipated exogenous shocks, such as fluctuations in steel prices. Subsoil exploration – that is, drilling – has been a recurring theme in Olympic construction. Designs of the velodrome for Montreal had to be modified due to the discovery of weak and unstable subsoil which had been missed by earlier geological studies – further pushing costs upwards. Unexpected findings about the soil profile of the site for the Athens 2004 Olympics led to a last minute change in design of the foundations for the stadium roof. A £25 million increase in the cost of the velodrome for London 2012 was similarly attributed to changes in design that resulted from 'complex foundations and ground conditions'.

The phenomenon of scope creep is also observed in budgeting (re)classification. Much of the growth in the official budget for London 2012 can be linked to this, in the redefinition of certain items as core Olympic costs after the bid had been won. Specifically, £1 billion of expenditure on infrastructure for the Olympic Park was re-integrated into the budget while the costs of tax liabilities on capital spending and security, which had been omitted from previous estimates, were consolidated into the budget. These omissions, combined with the addition of a sizeable programme contingency, amounted to more than £4 billion; far more than the increases in costs due to changes in technical scope.

## 3. Risk, moral hazard and fantasy documents

One of the most important factors in Olympic cost overruns is a failure to identify and manage risk. This is despite the [increasing attention of Olympic organizers to risk](#) in planning. The Public Accounts Committee found that London's bid budget had not followed the government's own guidance on budgeting procedures for major projects

'despite HM Treasury having been consulted and the bid agreed across Government'. Specifically, £738 million of private sector finance for the Olympic Village was included 'despite not being supported by robust analysis'. When the global financial crisis hit the private sector withdrew from the project, only returning later once the level of risk attached to the project had subsided. This points to the problem of moral hazard in major events where the government is required to act as backer of last resort (for the Olympics this is enshrined through the host city contract), which enables the private sector to transfer risk to the state but seek to accrue profits. Private developers returned to the Olympic Village project once the volatility in the financial markets had calmed down.

The final aspect of Olympic planning that gives rise to the under-estimation of risk is the illusion of control created through the use of detailed planning documents and complex budgeting methods. The numbers presented in bid books often take on a fictional character, having little resemblance to the final cost as plans for the event take shape and as uncertainties of scope diminish. In the case of London 2012, the application of a series of technical methodologies (which included a probabilistic budget assessment and financial audits) were unable to prevent revisions of technical scope and drift in political and bureaucratic decisions (such as growth in the security budget). This points to the possibility of viewing Olympic planning in the same way as Lee Clarke's [characterization of disaster plans](#) as 'fantasy documents', where organisations fantasise about their ability to cope with disaster.

In this, planning manuals and protocols are often used to 'express uncertainty in terms of risk' and to provide reassurance about manageability to an external audience. This has many parallels with the role of bid books in securing the support of host governments and citizens as well as the IOC. Most of all, this highlights the gap between the organisational rhetoric of planning, and how it characterises routines and controls, and reality on the ground.

*For more detailed analysis of bid budgets see Chapter 4 of [Olympic Risks](#), and for an analysis of the budget for London 2012 see ['Why costs overrun: risk, optimism and uncertainty in budgeting for the London 2012 Olympic Games'](#), *Journal of Construction Management and Economics* 30(6): 455-462.*

### **About the author**

**Dr Will Jennings** is Senior Lecturer in Politics at the University of Southampton and a Research Associate at the Centre for Analysis of Risk and Regulation at the London School of Economics and Political Science, he specialises in research on risk and mega-events as well as the quantitative analysis of politics, policy and society.

# Looking back and ahead: Lessons from the 2008 Beijing Olympic Games

Published: 01 August 2012

[Hyun Bang Shin](#) looks back at the Beijing Olympics to derive some indication of what the legacy of the London Games might be. He warns that diversion of national resources may pose additional development opportunities for host cities, but constraints for others in the country in terms of resource redistribution.

As London is gearing up for the 2012 Summer Olympic Games, people may begin to wonder what legacy mega-events such as the Olympic Games may provide host cities with. One of the ways in which this question can be asked is perhaps to examine what happened to other host cities. Having had a close look at the experience of the Beijing Olympic Games, I present a few cases for further thoughts. Readers may wonder if there is any learning outcome that can be drawn from Beijing for other host cities, as cities come with diverse sets of political, economic and social backgrounds. However, mega-events such as the Olympic Games pose unique constraints and opportunities for host cities, which may transcend national borders. I discuss three experiences in particular: (i) event-led spatial restructuring; (ii) threats to neighbourhoods; and (iii) exclusion of marginalised population.



First, for Beijing, the 2008 Olympic Games was an opportunity for the city to facilitate investments in the built environment, speeding up the construction of key infrastructure that Beijing needed to fulfil its aspiration to become 'world-class city'. With the official slogan of 'One World, One Dream' (see Figure 1), the Games meant to align China's dream with that of the world. These included a new airport terminal and high-speed rail connections as well as new metro lines or extensions to existing lines. In particular, the city-wide coverage of

metro connections with hugely subsidised fares substantially enhanced local residents' mobility. The Games preparation between 2001 and 2008 enabled Beijing to concentrate municipal and national resources on expanding city's development capacity, and bring about event-led spatial restructuring that substantially transformed urban landscape. One of the [distinctive spatial outcomes](#) of the Games was Beijing's expansion into its northern sub-urban areas where the Olympic Games complex is provided.

Cities facing mega-event hosting are constrained by the non-negotiability of event deadlines, and Beijing was not exempted. During the seven-year period, state-led investments were directed towards mega-projects throughout the city, resulting in the spending on infrastructure that far exceeded the actual Games operation costs. When cities promise to deliver large-scale mega-events such as the Olympic Games, host cities and countries are often pre-occupied with the ambition to realise a particular development vision. For Beijing, it was the aspiration to become a 'world-class city' and endorse China's newly acquired global status as economic powerhouse, which justified the concentration of municipal as well as national resources to realise the 'best and the most expensive' Games ever for Beijing. However, the heavy focus on physical infrastructure begs the question of whether money was diverted from the 'next best' project, especially the more socially oriented programmes that addressed the issues of inherent poverty and inequality in the country.



Second, the large-scale spatial restructuring was accompanied by the re-writing of urban residential landscape in the forms of urban redevelopment and beautification programmes. Dilapidated neighbourhoods in central locations were subject to wholesale demolition and redevelopment, making way for high-end offices, luxury homes and commercial premises. Surviving historic quarters such as Qianmen, a historic market place south of Forbidden City, experienced what locals refers to as 'fake-over', which involved

demolition and reconstruction to mimic old architectural style (see Figure 2).

Human costs resulting from demolition were beyond imagination. According to a 2007 report from the Centre on Housing Rights and Evictions (COHRE), it was estimated that Beijing might see up to 1.5 million local residents displaced due to the preparation for the Olympic Games. This figure was actually referring to all the displacement that occurred as part of urban development and redevelopment projects. As the estimates were based on officially available figures, it would be very likely that migrants were not counted, suggesting that the scale of displacement might be even more sensational. The COHRE estimation naturally brought about immediate rebuttal by the municipal government, which tried hard not to taint the glory of the Games. Nevertheless, the city government's drive to transform the appearance of Beijing and its emphasis on the

Games preparation would have created a strong basis for 'demolition under the names of the Olympic Games' in order to accelerate urban transformation.

Furthermore, Beijing's quest to build 'New Beijing, New Olympics' came with a heavy emphasis on environmental improvement projects. Various government operations were implemented, which could be referred to as 'social cleansing' to make sure 'socially



undesirables' were removed from Beijing's urban space. These measures affected beggars as well as street vendors that attracted a large number of migrants without proper licenses. Migrant workers in the construction industry were also discouraged to stay in the city as construction sites were temporarily closed to reduce air pollutions. Inward travelling by migrants was also discouraged due to severe identity checks imposed by the security forces.

Such measures reflected the built-in stigmatisation of migrant workers despite the fact that they were literally the builders of China's cities and the providers of day-to-day services for urban citizens. Until the early 2000s, major cities in China used to implement periodic deportation of and crack-down on migrant workers who lacked legal permission to stay in cities. Critics point out that cities in China are increasingly moving towards ring-fencing welfare benefits for urban citizens, which effectively exclude those migrants from other localities. Therefore, the exclusion of migrants from the festive mood in the Olympic City of Beijing is not necessarily generated by the Olympic Games per se but a result of the 'state of affair' in China, inherent in the local political culture.

What lessons do these experiences tell us about forthcoming Olympic Games including the 2012 London Olympiad? First, while the unprecedented level of investments as experienced in Beijing might be justified by the size of Chinese economy and its success in the world, all mega-events tend to incur heavy payments that often go beyond city's own budget, therefore calling for national subsidies. This was not an exception even for Beijing, and will not be an exception for most other host cities either. Such diversion of national resources may pose additional development opportunities for host cities, but constraints for others in the country in terms of resource redistribution. Critics may have differing views about how this arrangement would condition the future growth potential of a country as a whole. But, short-term economic benefits tend to be emphasised emphatically by event promoters, while speculative long-term social, economic and cultural benefits tend to be forgotten over time. More problematic would be the case of diverting resources away from social programmes, as this might incur detrimental impacts on a particular 'Olympic' cohort.

The attention to security issues in recent years also poses greater challenges for ensuring Olympic Games for all. Mega-events are increasingly hosted with a heavy

degree of policing and social cleaning, justified by the government's claim to ensure public safety and environmental improvement. This often results in a particular group of urban inhabitants being more negatively affected than others. For Beijing, it was the migrant workers, homeless people, separatists or human rights protesters who were particularly targeted by the local authority, revealing the inherent social, economic and political contradictions. These experiences are prone to replication in other host cities, while strengthened security measures as exception tend to remain as permanent fixtures even after events.

Mega-events such as the Olympic Games are presented with glamour and excitement for participants, spectators and global media consumers. The festive mood as well as

patriotic sentiment associated with such events often make it difficult to redirect our attention to the shadowy side of the Games. It is however what lies in the shadow of mega-events, which host cities have to address once the excitement is long-gone.

### ***About the author***

**Hyun Bang Shin** is Lecturer in Urban Geography in the Department of Geography and Environment at the [London School of Economics](#). His main research interests lie in critically analysing political economic dynamics of contemporary urban (re-)development and its socio-spatial implications, with special emphasis on Asian cities. Research topics include [urban entrepreneurialism](#), [mega-events](#), [urban conservation](#), [politics of redevelopment](#), [displacement](#) and [the right to the city](#). He had previously carried out a research project to investigate the [housing impact of mega-event hosting in Chinese cities](#) funded by the British Academy Small Research Grant. More recently, he has completed research on socio-spatial impacts of mega-events with a case study of the 2010 Guangzhou Asian Games, funded by the STICERD/LSE Annual Fund New Researcher Award (2009-2011). He is currently involved in URBACHINA, a four-year (2011-2015) international research collaboration funded by the EU Seventh Framework Programme (FP7), and is one of the key organisers of the Urban Studies Seminar Series (2011-2012), Towards an Emerging Geography of Gentrification in the Global South, funded by the Urban Studies Foundation and the Urban Studies journal.

# Manifesto for a better Olympics

**Published: 25 July 2012**

*[Mark Perryman](#) bursts the London 2012 bubble by suggesting that the Games fall well short in terms of inclusiveness and economic benefits for the British public. Amongst ways to improve the Olympics, he argues for aiming for maximum participation, spreading out events across a host nation rather than city, improving accessibility, and lowering costs of attendance.*

There is scarcely a scrap of evidence from any previous Olympic Games of economic regeneration or a sustainable boost in employment. Not one recent Olympic host nation can point to an increase in sport participation levels as a result of the Olympics. As for tourism, the Olympics leads to a decrease in visitors not an increase as the travel industry, which has no reason at all not to be one of the Games' biggest supporters, has repeatedly pointed out.

Despite all this no politician, nor a single sports administrator and none of the well-resourced think-tanks has come up with a plan for a better Olympics for all. This is what my new book, *Why The Olympics Aren't Good For Us, And How They Can Be*, uniquely sets out to do.

I love sport, my book is not in any sense anti-Olympics, and I joyfully admit I will be amongst the first to be consumed by the excitement of the Games once they begin. But I also firmly believe that they could have been so much better, something far too important to ignore as the Gold Medals are hung around Team GB athletes' necks.

My 'New Five Rings' are really quite simple ideas, together they are founded on the core principle that to make a 'home' games worthwhile they must be organised with the objective that the maximum number of people should be able to take part. If not, then it's the remote control and the sofa for most of us, and thus the Games might as well be anywhere else but in Britain.

**Ring One: A decentralised Games** taking place all over GB. A local Games for large parts of the population. Drop Host City and replace it with Host Nation. This one change would at least make major parts of the Olympic programme geographically accessible instead of everything being located in London.

**Ring Two: A games with the objective of maximum participation.** Across Britain we have numerous huge stadiums, mainly football grounds, yet capable of being used for a vast range of other Olympic sports. But virtually none are being utilised. Centralising all events in London venues with much smaller capacities than would otherwise be available slashes the size of audience who can attend and increases the ticket price for the few, instead of lowering those prices for the many.

**Ring Three: Shift the bulk of the programme outside of stadiums entirely for large scale free-to-watch events.** A multi-stage cycling Tour of Britain, a Round Britain yachting race, a canoe marathon, open water swimming events in the country's Lakes and Lochs. The true measure of London's chronic lack of ambition is the scrapping of the Marathon route, one of the few current free-to-watch Olympic events. The 26.2 mile London Marathon route which is lined each year with hundreds of thousands of spectators has been replaced by 4 six mile laps, reducing the potential audience by 75 per cent. A disgraceful decision which has scarcely been commented upon by media commentators too busy with their LOCOG cheerleading.

**Ring Four: Olympics sports that are universally accessible.** The same countries always win the Equestrian, Yachting and Rowing events while entire continents have never won a single medal in these sports. These are sports that require vast investment, specialist facilities and have next to no mass appeal. Compare the breadth of countries which have won boxing, football, middle and long distance running medals. These are sports requiring no expensive kit or facilities, use simple rules, and have massive appeal. Sports should be chosen because of their accessibility and then given targets to prove it. If they fail to do so, drop them and replace them with others. My favourite candidate for reintroduction is the tug-of-war, which last featured at the 1920 Games. It is one of the most basic sports imaginable, all that is required is a length of sturdy rope, the teams could be mixed which is another plus, and in a packed stadium a tug of war competition is a potential crowd pleaser too, at least as much if not more than some of the privileged sports currently enjoying Olympic status.

**Ring Five: A symbol of sport not a logo for the sponsors.** Reverse the priorities. The only use permitted for the precious Olympics Five Rings should be by voluntary and community groups on a not-for-profit basis to promote sport. The sponsors should be banned from any use of the Five Rings. They need sport just as much as sport needs their millions yet the IOC and LOCOG sell the Olympics short by meekly complying with the sponsors ever-escalating demands. And lets not forget who is the biggest sponsor of London 2012, the British taxpayer.

I want to build a new Olympics, to take the best of the Games I first fell in love with (and have the sticker album to prove it) and reimagine what they could still become. Why has no such alternative, to date, been offered? *Why The Olympics Aren't Good For Us* looks to redress that balance. Let the debate begin.



***About the author***

**Mark Perryman** is a research fellow in sport and leisure culture at the Chelsea School, University of Brighton. His book, [Why The Olympics Aren't Good For Us, And How They Can Be](http://www.orbooks.com) is exclusively available from [www.orbooks.com](http://www.orbooks.com).

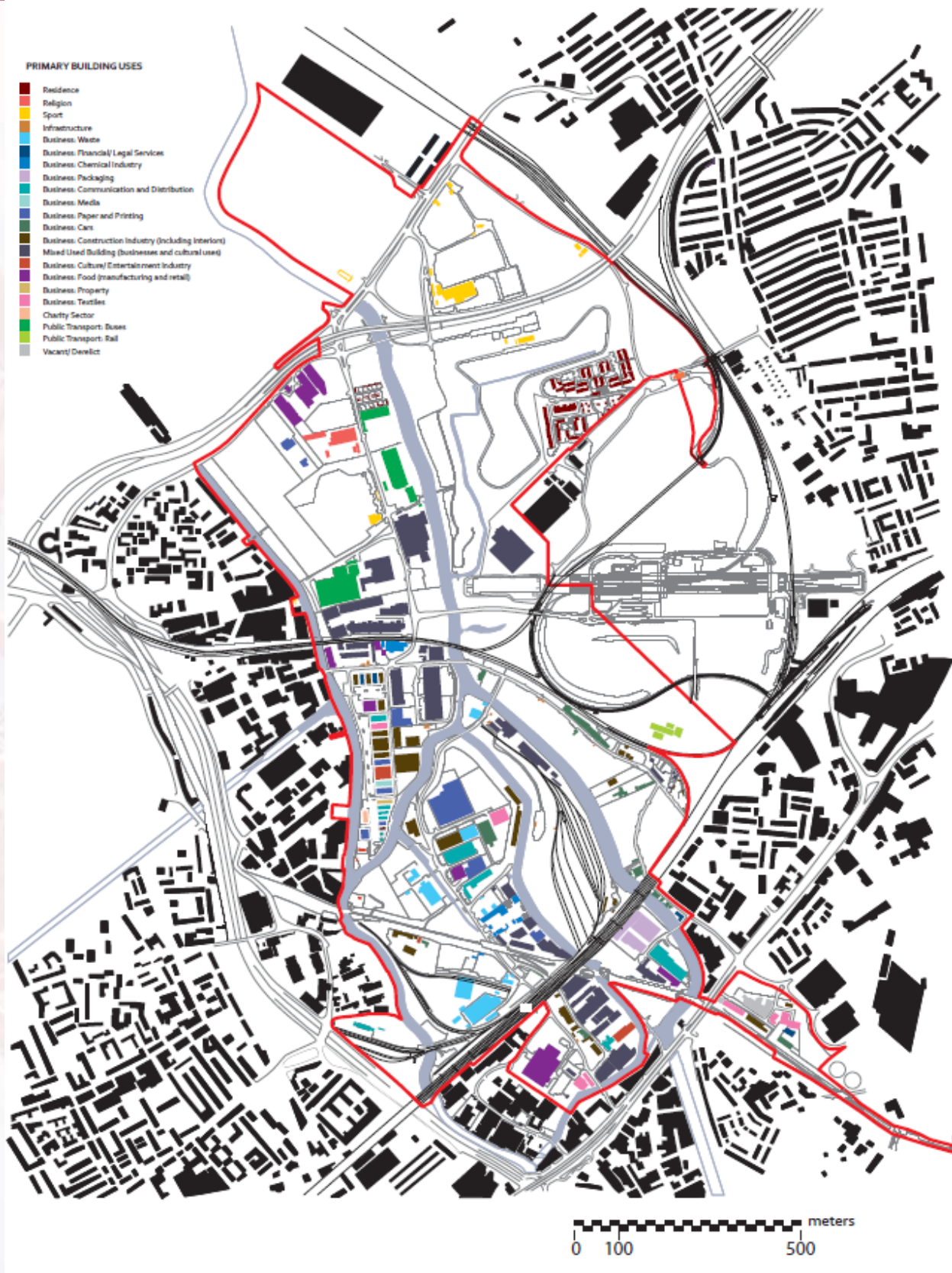
# The impact of the Olympics: making or breaking communities in East London

**Published: 11 July 2012**

***Juliet Davis** investigates the challenge of creating a positive legacy from the Olympics for communities in East London. She argues that how impacts on East London are measured depends on how existing and future 'communities' are viewed and defined.*

The Olympic site falls across the corners of the four East London Boroughs of Hackney, Tower Hamlets, Newham and Waltham Forest. The urban landscape of the Lea Valley which it covered at the time of the Olympic bid was *ad hoc* and fragmented in terms of urban form and use, characteristic of its situation at the edges of public authority and the urban centres they relate to. This situation was determined historically, as present political borough boundaries along the River Lea are legacies of older political and land ownership divisions. Industrial decay following the Second World War coincided with the formation of Greater London in 1965 and was succeeded by fragmentary, partial redevelopment for post-industrial uses. In its different incarnations, the site's uses developed at the margins of more active, centred territories.

Figure 1: primary building uses



Official accounts of the site from 2005 portrayed its residential communities as chronically 'deprived' – 42 per cent of Super Output Areas in the immediate vicinity of the Olympic site ranked within the 5 per cent most deprived in England. Its working environments were viewed as economically fragile, typified by transience or 'churn'. Its eclectic, low density urban form, low levels of residential use and spatial disconnection from surrounding areas via public transport were viewed as environmentally unsustainable. Spatial marginality tended to be viewed as one of the key pre-conditions of these social and economic issues.

Whilst some of the lowest rental values for businesses in London – as low as £5 a square foot in comparison to £50 for W1 – allowed a poor quality, low-density urbanism to persist, property value in the area was being transformed as a result of significant public transport investment in East London and the imminent development of the vast Westfield Shopping Centre adjacent to the site at Stratford. Addressing current problems and responding to the opportunity to create a value uplift was seen to require a comprehensive land purchase and redevelopment approach which would transform the preconditions of the physical landscape.

Key components of this approach were the creation of a *tabula rasa* – in effect a blank slate through wholesale demolition. This would suit the realisation of an Olympic masterplan that could, post 2012, create the basis for a more 'sustainable community' based development. The Olympics were said to provide the level of investment needed to create a 'platform' for this scale of change and redevelopment. This would be mixed use, mixed tenure, compact and knitted into the fabric of the site's ragged urban fringes. It would cluster in the vicinity of enhanced public transport nodes, border the amenity of the Olympic park and provide in the order of 10,000 homes. Why might this be a problem for communities?

The processes by the site was subjected to a Compulsory Purchase Order (CPO) in 2007 that highlighted some of the dangers that might be associated with imagining community on such a large scale and over a long time frame. They revealed a strong sense of connection between many of the users of the site and their specific sites. These connections varied in kind. Some were historical – to do with links formed through broader traditions of use and the site's past; others were practical – to do with cost and location for example. Others still were physical – to do with how groups like sports clubs, churches and gardening societies are shaped in the specific places which they simultaneously make and remake. In the vastness of the site, of the process of the Olympics, of the scale of the event itself and of the timeframes involved in conceiving and creating a legacy, these small, fragile threads of connection which users expressed in contestations of the CPO had the power to raise pertinent questions of the legacy builders' large scale ambitions.

Whilst the urban condition of *tabula rasa* may be said to create an image of futurity and promise, it simultaneously creates an image of uncertainty and risk – for present users, in terms of the value of land which is erased in order to be recreated through 'cataclysmic' investment, and in terms of the ability to deliver on promises related to

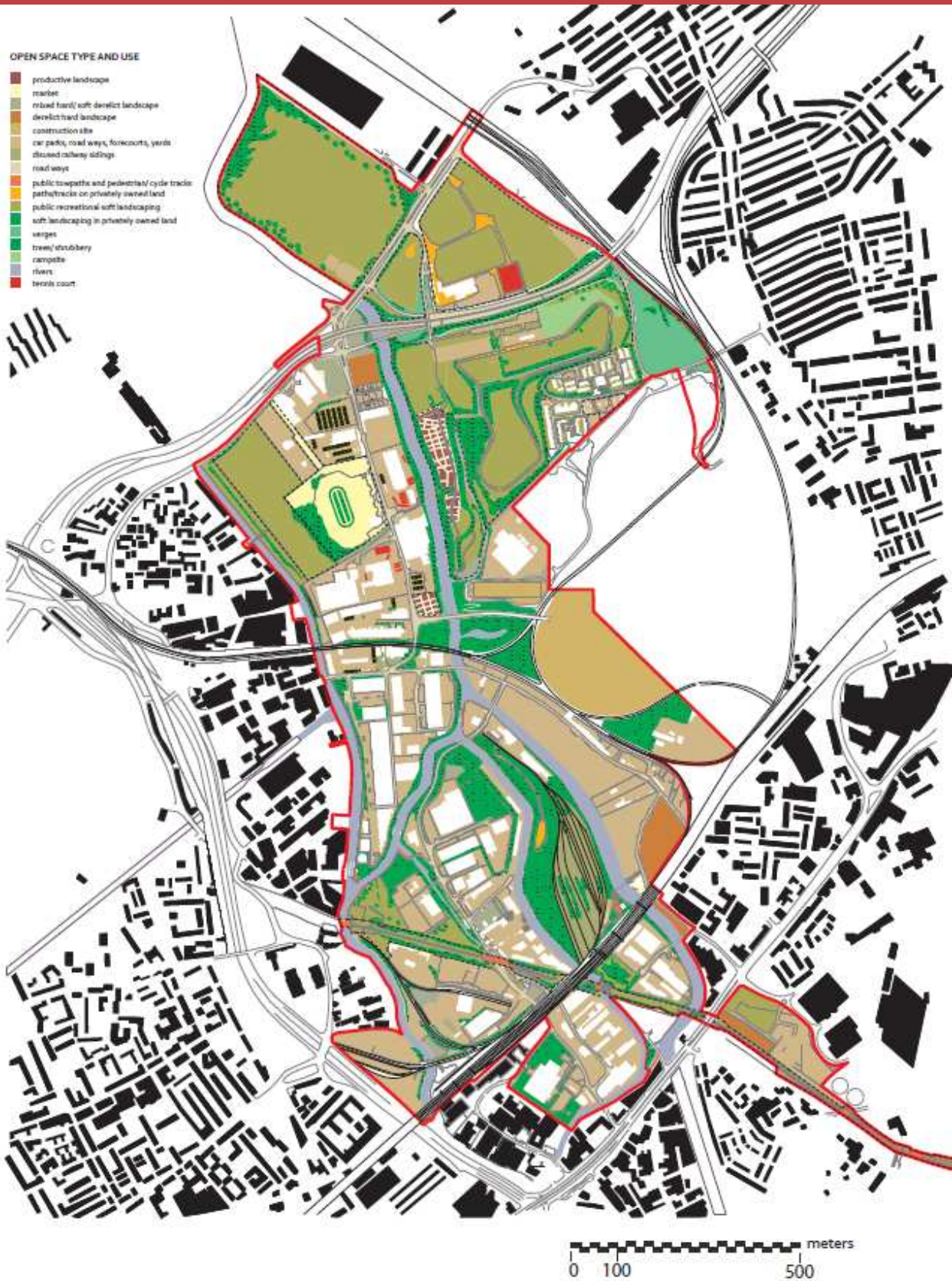



plans. Comprehensive, cataclysmic, mega-event-driven redevelopment has infrequently preceded a successful transformation of urban fortunes in the context of other Olympic cities. In the relatively short space of time since the processes of spatially planning the legacy began, political and economic change have had significant bearings on the idea of what the site might look like in the future, who might get to make decisions about it and who might be there.

*Tabula rasa* further creates the challenge for authorities and designers of redefining the relationship between people and places. Some of the early *Legacy Masterplan Framework* (LMF) images of the imagined public realm of the Olympic site revealed the depth of this challenge not only in the sense that assembling a collage requires an artificial gathering of people in an imagined space, but that the decisions of what sorts of people and poses to include are not able to be neutral. The composition of people in imagined scenes of the Olympic site thirty years hence was made to project a message which legacy leaders wished to convey – of a non-deprived, healthy population partaking in benefits associated with their redeveloped landscape.

People had to appear happy in these images. They could not smoke or drink or display hallmarks of dysfunction or poverty. The irreconcilability between these images and the diversity of people who currently create complex, messy public space across East London raises questions of purpose. Is the purpose of imagining community predominantly driven by the economics of the Olympic project – the aim being to market the vision of the site to prospective buyers? Can such views, otherwise, genuinely create the beginnings for making complex, mixed, contextually specific neighbourhoods?

Figure 2: open space type and land use





*Tabula rasa* creates the need to define the relationship between community and urban form. The focus of a number of key documents framing the development of the LMF was on 'building communities' – a notion which suggests not only that some urban forms are more conducive to 'community' than others but a direct analogy between the material fabric of urban form and positive relationships forged between inhabitants living in proximity to one another. For example, the designers of the LMF tended to associate two to three storey terraced housing with gardens with families and towers at much greater densities with young upwardly mobile professionals. Forms are used as markers of social type.

The challenge of creating a positive legacy in terms of communities lies in two key areas. Firstly, it depends on designs that genuinely facilitate social relationships that can both endure and evolve. Secondly, it depends on how people are reengaged in the site over time. In the short term, this engagement lies in the democracy of the urban planning process. Longer term, it is about the capacity that inhabitants have to creatively inhabit the venues, spaces and new developments on the Olympic site and, through doing so, to create their own urban cultures and futures.

#### ***About the author***

**Juliet Davis** completed her PhD on the planning of the 2012 Olympic Legacy in December 2011. She is a qualified architect, currently working as a Research Fellow at LSE Cities on a project funded by Grosvenor on Resilient Urban Form and Governance.

# The London Olympics – making a ‘piece of city’

Published: 01 August 2012

*[Ricky Burdett](#) discusses the Olympics’ ‘Great Leap Eastwards’ and argues that the city is on its way to improving on the pattern of social inequality. However, the journey will be long and fraught with challenges. City government needs to retain control and ownership of the land, and put in place checks and balances to ensure that land values and gentrification do not push existing communities in the vicinity out.*

What happens when the Olympic park perimeter fence comes down? This is the single most important question that will test the success of the games in creating a lasting legacy. With only a few weeks to go and the venues and the Olympic Park complete, the city is already enjoying the global limelight after a sustained period of downright opposition, seen by some as an unnecessary intrusion and expense. With over 27 million visitors a year and still one of the world’s strongest financial centres, Londoners have been asking themselves ‘do we need the Games?’ and ‘what will they do for London?’ The quick answer to the first question might be ‘yes’, if we want to improve the city’s pattern of social inequality. But, it will take at least 20 years.

As many LSE scholars have pointed out, despite being a prosperous city of nearly 8 million people, London has its share of deep-set social and economic problems. In terms of its spatial geography, London’s western half is relatively wealthy and well served by public infrastructure and transport, while its eastern half is more deprived. The life expectancy of a man, for example, is five years lower in east London compared to parts of west London.

For decades, central and city governments have been trying to address this imbalance. From the 1970s onwards there have been many plans and initiatives aimed at regenerating the Thames Gateway (under one of its many pseudonyms). The London Docklands Development Corporation (inspired by Michael Heseltine), for example, kick started the redevelopment of the docklands, leading to the controversial realisation of Canary Wharf in the mid 1980s which recently broke through the 100,000 jobs mark. The Olympics is part of this complex urban jigsaw.

Ken Livingstone’s first London Plan (conceived before the bid for the 2012 Olympic Games was launched) identified two major growth corridors extending outwards from the centre along the River Thames and to the north-east towards Stansted Airport. It is where these two corridors meet that the Olympic site is located, with Stratford at its epicentre. Boris Johnson has reinforced this growth strategy, going so far as to give special planning powers to the newly created London Legacy Development Corporation (LLDC) to act as a ‘super development authority’ for the entire area, granting itself

planning powers over more than 200 hectares of land that currently falls within the four London boroughs of Newham, Walthamstow, Tower Hamlets and Hackney.

Stratford is typical London town centre – a bit down-at-heel, yet versatile – but with exceptional rail and underground connections to the rest of the city and the commuter beltway of the South-East. It is also hoped international high-speed trains from Paris and Brussels will stop here from 2013 onwards. Rows of neat terraced houses inhabited by diverse ethnic communities sit next to 1970s social housing blocks and run-down shopping streets with discount stores and fast-food outlets. A network of canals and waterways winds through a rough post-industrial landscape with redundant gas cylinders and railway goods yards. Nearby, the streets are crowded with an increasingly cosmopolitan population made up of Asians, Africans, Caribbeans and a new influx of Eastern Europeans who mingle with native Londoners.

For the last decade this swathe of East London – especially the Newham part of it – has seen piecemeal yet sustained investment, spurred on the Labour-inspired gospel of the ‘urban renaissance’ (in which this author is implicated!). There is no doubt that Stratford and its surroundings are a fragmented, mildly dystopian, urban landscape much loved by psycho-geographers like Iain Sinclair, who in his recent novel ‘Ghost Milk’, regrets its imminent ‘destruction’ by the Olympian conspiracy. Pseudo-iconic residential tower blocks keep cropping up, responding in an uncoordinated fashion to London’s housing need and new institutions are become lured by the relative low-cost but high-accessibility of the area.

It is easy to forget that a decade ago, well before anyone in London thought seriously about bidding for the Olympic Games, a consortium of developers joined up with London & Continental Railways (owners of much of the redundant railway land) to propose a massive shopping centre with over 5,000 new homes and several million square feet of offices. In effect, a second, less glamorous Canary Wharf had been planned and conceived – and received planning permission – three years before London won the bid to host the 2012 Olympic Games. Reflecting London’s age-old pragmatism when it comes to land and development, the public sector simply ‘piggy-backed’ itself onto a private sector initiative.

In effect the Olympic Plan is a sophisticated grafting exercise. The £2bn shopping centre was completed by Westfield last September promising nearly 10,000 jobs to the local economy. The housing component of the ‘private’ scheme was turned into the Athletes’ ‘Village’ – and has been sold on to consortia led by the Qataris and social housing groups. Office buildings and hotels will soon follow where temporary facilities and sponsors’ pavilions now stand. And the Olympic Park with its sports venues, future housing sites, schools, health centres, roads and bridges will stitch this formerly disconnected site back into the intricate web of East London. The project has become an elaborate chess game in time and space that mirrors, in an accelerated fashion, the normal, organic planning process that determines London’s DNA. As Tony Travers of LSE London has put it ‘the Olympics has brought regeneration forward by about 70 years!’

Today, the construction workforce has passed its peak of over 10,000 people in what had become Europe's largest construction site. You can see the impact of the £9.3 billion (about €10 billion) of public money, a massive and time-limited injection of cash into the social, physical and economic infrastructure of the area. Up to 2006, the 200 hectare site was mainly occupied by industrial sheds and low-level economic activities which have been relocated as part of the government's investment strategy. The site has been cleared, electricity pylons and overhead cables removed, millions of tons of polluted soil have been cleaned, sustainable energy plants built and new roads, sewers, cables and infrastructure have been provided for what will become one of London's new urban communities.

London has invented a new planning methodology for the construction of the Games and what it leaves behind for its so-called 'Olympic Legacy'. Many of the sports venues and facilities for the Games will be temporary but the investment in the infrastructure of a new piece of city will be permanent. Only four structures in the Olympic Park will remain after 2012: the elegant Velodrome by Hopkins Architects, Dame Zaha Hadid's expressive Aquatic Centre, Make's less flamboyant Handball venue and the (somewhat re-built) Olympic stadium (future users will be determined after the Games). The basketball and hockey stadia, the water-polo pools and other structures will be dismantled and either relocated or the building components sold or recycled. Some will be shipped to Rio for the 2016 Olympic Games or Glasgow for the 2014 Commonwealth Games, adding a novel dimension of sustainability to the Olympic project.

At the heart of the masterplan is the recently named 'Queen Elizabeth Park', cleverly designed to make the most of the infrastructure of canals that wind up from the River Thames along the Lea Valley. A web of promenades, bridges and walkways reconnect the park with its surroundings east and west – to Leyton and Hackney – reconciling the complex change in levels, interweaving between the heavy rail and road infrastructure that criss-cross and surrounds the site. Yet, no cars will be allowed on the site during the Olympic and Paralympic Games in 2012, with all visitors – except for the IOC's privileged VIPs – having to use public transport, with up to thousands taking advantage of the high-speed Japanese bullet 'Javelin' train service to St Pancras station in central London in less than ten minutes.

After the Olympics, the wide promenades and bridges for the 1.5 million visitors will be reduced to the appropriate scale for a 'normal' city park. The same approach is being taken to some of the venues like the Aquatic Centre, where the massive and visually obtrusive side wings with 17,000 seats will be removed, returning the building to its original, intended sinuous form accommodating only 6,000 seats – an appropriate scale for what will become East London's major swimming and diving complex. A school for 2,000 students (from ages of 5 to 18), a health centre and other community facilities are being constructed now for use by future inhabitants of the area and the existing communities nearby, while biomass-powered energy centres provide state-of-the-art district heating system to the entire area.

Most importantly, though, the land left vacant by the temporary venues after 2012 will become platforms for an entirely new 'piece of city'. Over 8,000 houses, arranged along traditional London streets, terraces and squares will be erected over a 20-30 year time frame, extending outward from the Athlete's Village and its relatively high-rise perimeter blocks now under completion around an elegant and inspired landscape terrain by Vogt. Here 3,000 units will be handed over in 2013, with half already given over to affordable housing and the other half recently purchased by the a private real estate consortium led by Qatari Diar, a Middle Eastern sovereign investment fund, and Delancey Estates. In this respect, the return on public investment is beginning to happen with private sector interest growing in the development potential afforded by this new East London opportunity.

But, all this will only be possible if city government retains control and ownership of the land, and puts in place checks and balances to ensure that land values and gentrification do not push existing communities in the vicinity out. Some of these mechanisms are in place. London's affordable housing policies guarantee that a significant proportion of any new residential development is reserved for more deprived families (anything between 30% and 50%). Legacy uses which create jobs and activity from the park are being sought and secured by the LLDC which owns the freehold of the site and will manage the activities of the park, bringing in private sector commercial and residential developers to invest in new homes, offices and shops across the 2.5 square kilometre site. There has been interest from major companies like the BBC, University College London and the Wellcome Foundation (a major medical research foundation) to relocate here. New hotels and offices are being built around Stratford International Station, creating a secondary but important cluster of new jobs and opportunities.

The legacy masterplan has been conceived in spatial and temporal dimensions. The open, rather flexible grid of streets does allow the potential for assimilation and

integration over a long and realistic time period of over twenty years. So, when the fence does come down in 2013, London may have achieved the first step in its 'Great Leap Eastwards' on the back of the London 2012 Olympic Games. It will be a long and tortuous journey.

### ***About the author***

**Ricky Burdett** is Professor of Urban Studies at the London School of Economics and Director of LSE Cities. He was Chief Adviser to the Olympic Delivery Authority for the London 2012 Games and a member of the Urban Task Force.

# The Olympic investment in East London has barely scratched the surface of the area's needs

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*[Anne Power](#) argues that the incredible amount of London 2012 money injected into one of the capital's poorest neighbourhoods has largely bypassed the residents themselves. Much more besides new infrastructure needs to be done to improve Newham and other East London communities.*

The Olympics brought over £9 billion of investment to the East End of London, by far London's poorest area. It was a huge prize for Newham, the actual site and main host of most of the Games; the sports facilities and venue; the Olympic Village; the international high-speed rail link between Europe and King's Cross. For the second most deprived local authority in the country, it must seem like manna from heaven. In fact the investment is so vast and the impact so visible that it is out of all scale to the fragile local communities surrounding the Olympic site itself. The big money largely bypasses the neighbourhoods where Newham residents live and even most of the residents themselves. Only a small minority of the thousands of construction jobs since 2005 went to local residents, in spite of an unemployment rate three times the national average. Newham's unemployment rose between 2005 and 2010 faster than the London average.

The supply of subsidised social housing has declined over the same period, in spite of a population boom after 2000, five times the rate of increase of London as a whole. Long-run regeneration schemes have removed thousands of homes, invariably failing to deliver the promised benefits to existing communities. Key decisions are made far from the communities directly affected.

The Olympic regeneration is different. The heavy infrastructure cost falls mainly on the government and tax payer, bringing supposedly large benefits to the host community. The high speed train to King's Cross radically changes Stratford's connections to central London, coming on top of extensions to the London Overground, the Dockland's Light Railway, the Jubilee Line and a big increase in London's super-modern bus fleet, all centred on the Stratford interchange. Soon German and French trains will speed into London via Stratford. Meanwhile, City Airport, a few minutes away in the nearby docks, is expanding. All this makes Stratford in Newham, one of the most concentrated hubs of London's complex public transport system.

However the new services of the legacy cost far more than the inferior services they replace. Fares for the fast lines are far above London's older lines, thereby excluding most local residents. On the other hand, the impressive increase in night buses travelling East helps East End workers get home from restaurants and other service



jobs with late hours. The 'affordable rents' for the 2800 new homes that will be converted from the Athlete's Village will be unaffordable to Newham's poorest households. As one third of all children in the borough live in workless households, their families will almost certainly be excluded. Running a mixed social and private renting area as an integrated 'village' requires that conditions are more or less equal. At least half the social rented units must go to people in work and many social units are for families with children. Even places at the new academy school in the Olympic village are going to bypass most of Newham's residents, because the catchment area is very large. The new tenants in the post-Olympic village, for whom the new academy is partly designed, will lose out because the homes will not be occupied until months after the school opens.

The conspicuous and much publicised Westfield Shopping Centre at Stratford provides an upmarket 'all-inclusive' consumer paradise, definitely not designed for local bargain hunters. Meanwhile the 1960s shopping centre, opposite the Westfield Centre, has enjoyed a facelift to retain its local customers and continue to attract low-cost business. Summer jackets were on sale there last week at £1 each.

The Olympic swimming pool, when it opens to the public in 2013, will be costly to run, but will provide a unique London-wide facility, and therefore not operate only as a local resource – far from it. This seems fair, but it's hard to get the balance right since Newham has so much catching up to do.

The difficulties facing the Olympic Legacy are inevitable for numerous reasons. Newham not only has double the national unemployment rate, but since 2005, worklessness has risen by 42 per cent, twice as fast as London. Thousands of jobs were created on and around the Olympic site between 2005-2012, but these mainly bypassed the local population. However in recent months, a major push has helped recruit locals into the short-term, six-week job of the actual Games. These time-limited jobs offer training, personal development and a big confidence boost, as well as cash. But someone needs to sort out the follow-through into apprenticeships and follow-on work, converting the Olympic Village, venues and park into useable local assets.

Newham in 2010 had 50 per cent more crime than the London average, with violent crime still three times the national average, but falling, like most crime except drug offences, which rose threefold since 2005. The Qataris who invested heavily in the Olympic village will impose strict rules on the shared courtyards of the new village to avert problems.

The Olympic investments have not created a house price explosion, as feared. Renting and buying property in Newham are still far cheaper than the London average. Adjacent Olympic boroughs have seen much steeper price rises since then. This is potentially good news. It makes housing more affordable – a huge bonus in today's climate of uncertainty. It makes social and ethnic integration more possible. It makes renting more attractive for low-income people. Disused sites and buildings, of which there are many in Newham, become more attractive as cash dries up. Renovation of structurally sound

tower blocks, standing empty only a stone's throw from the Olympic site, could provide much needed high quality homes at less than half the cost of expensive new build that simply won't happen in the current climate.

Meanwhile Newham's previously poor school performance has overtaken the national average. Half its existing secondary schools were rebuilt under the 'Building Schools for the Future' programme. The council guarantees three years' free music tuition for every Newham school child as a way of levering up expectations and exciting children about education. Their reading guarantee programme aims to help every child to read, one to one if necessary. Free school meals accelerate children's learning. This progress should pay off if the big barriers to work shrink.

Newham has serious social and economic problems to overcome, but also a lot going for it. The Olympics are spawning a giant party, with around 4000 local community events happening in the borough alongside the Games, to make sure all feel included and trouble does not brew. But neither these events, nor the Olympic development itself will scratch the surface – a long haul face Newham and the rest of East London.

**Note: LSE Housing and Communities is carrying out research into the long term impact of the London Olympics on deprivation in the London Borough of Newham.**

***About the author***

**Anne Power** is Professor of Social Policy and Head of LSE Housing and Communities at the London School of Economics.

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## Contact

LSE Public Policy Group  
London School of Economics and Political Science  
Houghton Street  
London WC2A 2AE

Email: [Politicsandpolicy@lse.ac.uk](mailto:Politicsandpolicy@lse.ac.uk)

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