

4. Olympic and Paralympic Games – 5 OLYMPIC BOROUGHES

4.1 THE ECONOMIC EFFECTS OF THE GAMES ON WALTHAM FOREST

- 4.1.1 Government feels that the momentum of hosting the Olympic Games and Paralympic Games, if properly harnessed, will help secure a permanent change to the economy of East and South East London.
- 4.1.2 Various Draft Government reports suggests that the Games will provide a once in a generation opportunity to alleviate economic deprivation in an area that has unacceptably high levels of worklessness and poverty. In addition to this claim it is also thought that the Games will provide a powerful catalyst for private sector investment, making it a hugely significant project in the delivery the Thames Gateway regeneration programme. Therefore these reports predict that the Games are not a one off investment opportunity but will provide a sustainable legacy, transforming the local and sub-regional economy into a high employment, high wage, skilled economy with training, jobs and wealth creating opportunities. The report commissioned by the DCMS by PWC looked in more detail into the effects of the Olympics and Paralympic Games in relation to the Olympic zone and the 5 host London Boroughs, one of which being Waltham Forest. This section will focus on Waltham Forest and where appropriate touch on aspects affecting the wider Olympic Zone and 5 host London Boroughs.
- 4.1.3 Reports focusing on the legacy of the Games suggest that people and businesses located closest to the main Olympic development will be in pole position to benefit from these opportunities. The reports suggest that residents in or near the main Olympic development will be equipped with the highest possible skills, knowledge and expertise to take advantage of the Olympic project. In this way, the positive influence and impact of the Games on the residents of East and South East London will extend beyond the event itself in 2012, therefore providing the legacy of a skilled local workforce and a competitive business community fit to deliver high quality products and services.
- 4.1.3 Table 15 shows that PWC estimate an overall increase in London's GDP of £5,900 (million) between 2005 and 2016.

Table 15: Summary of expected economic impact (change in GDP, £ million) PWC 2005

Spatial level	Pre-event (2005-2011)	During event (2012)	Legacy/post-event (2013-2016)	Overall (2005-2016)
North East London	464	31	31	525
As a % of the London change in GDP	13.8%	3.4%	0.01%	8.9%

- 4.1.4 PWC predict an overall increase in the North East London Region of £525 million between 2005 and 2016 with the greatest increase being in the pre-event phase of 2005-2011 mainly linked to the construction and organisational roles needed for the development of this project.

4.1.5 Employment

PWC suggest that staging the Olympic Games in the Lower Lea Valley will stimulate a vital economic regeneration programme in London's poorest and most disadvantaged area. The Olympic Park will provide local people with significant improvements in job opportunities, education and skills and training.

4.1.6 Statistics from the ONS show that all the 5 Olympic Host Boroughs have below the London average employment rate (residents of working age in employment) see table 16 below.

Table 16: Olympic Host boroughs employment rate ONS 2004

Borough	Employment Rate as a percentage of the total working age population
Newham	55.7%
Hackney	56.2%
Tower Hamlets	53.7%
Waltham Forest	63.5%
Greenwich	68.2%
LONDON	69.1%

4.1.7 Research by The University of Nottingham (Dr Blake) shows that the number of full time equivalent ('fte') jobs likely to be created or supported by the anticipated increases in expenditure and investment between 2005 and 2016 ranges from 38,000 ftes in London and 8,000 ftes in the UK as a whole¹. Approximately 20.5% of these jobs will be in the North East area of London.

Table 17: Summary of expected impacts on employment PWC 2005

Spatial level	Pre-event (2005-2011)	During event (2012)	Legacy/post-event (2013-2016)	Overall (2005-2016)
North East London	7,344	311	311	7,966
As a % of the total London jobs	5.2%	8.4%	3.3%	20.5%

4.1.8 Both the GDP increase and Job predictions show North East London getting some increase as a result of the Olympic and Paralympic games, however there seems to be an issue of the legacy, i.e. North East London's GDP increase represents 13.8% of the total London increase in GDP 2005-2011 (during the construction stage) and 5.2% of the jobs created at this stage are in the North East London region, however this share of jobs goes down to 3.3% and the GDP share goes down to 0.01% after the games.

4.1.9 In addition to job creation it is proposed that the Olympics will provide a legacy of skills upgrading and training. Table 18 shows the qualification levels of residents in the 5 Olympic host boroughs. The table shows that

¹ these figures double count the impact on GDP

the area closest to the Olympic development area have above London average of residents with no qualifications and below London average of residents with above NVQ level 3 or equivalent.

Table 18: Qualification Levels ONS 2004

Borough	No Qualifications	Skills up to NVQ2	NVQ3+
5 Olympic boroughs	20%	22%	36%
LONDON	14%	23%	43%

4.1.10 Training and skills initiatives which various bodies plan to develop will include construction training, apprenticeships, maintenance skills and vocational qualifications. In addition it is proposed that job brokerage and employment support is provided to help those who gain employment develop and prosper in the jobs. Childcare provision is also proposed, as lack of childcare is a significant barrier to many potential employees, especially lone parents.

4.1.11 As part of the job brokerage it is proposed that volunteer programme is also established; it is estimated that over 70,000 volunteers will be needed to run the Olympic and Paralympic games. The need for volunteers could provide valuable opportunities for training and work experience for young and economically deprived residents especially in under-skilled and high unemployed areas. A draft joint cultural framework for the Olympic boroughs² highlights the potential for many sectors of the creative industries to be involved in the Olympics and many of these will involve volunteers. The report suggested some of the recruitment opportunities for the creative industries were:

- Artists, performers, musicians (Sydney Olympics used over 2,000 performers and 1,000 technicians for their opening and closing ceremonies)
- Stage and production management, technicians, support workers
- Marketing
- Broadcast and sports journalism
- Design and printing
- Training for performers etc

4.1.12 The report also suggested that using employment patterns from Sydney, Manchester and Barcelona the unemployment rates within the Olympic boroughs will fall substantially up to the games, and will remain at a steady rate for the first year or two after.

4.1.13 PWC highlight that the role of the Olympics in supporting regeneration of North East London and ensuring a sustainable legacy from hosting the Olympics is apparent from the types of social impacts that could be generated as a result of hosting the Olympics. PWC continue by stating that the Olympics could be instrumental in supporting wider regeneration policies, for example by:

² Transforming the landscape: culture as the key to winning the Olympics 2012, the joint cultural framework for the Olympic boroughs DRAFT

- Empowering disadvantaged groups through employment opportunities related to the Olympics
- Improving employment prospects through experience gained before and during the Olympics
- Increasing social integration and co-operation through development of local enterprise and other initiatives focussed on the Olympics

4.2 THE SOCIAL EFFECTS OF THE GAMES ON WALTHAM FOREST

4.2.1 Table 19 shows the ODPM's Indices of multiple deprivation 2004 (see the national overview for definitions of SOA and all the ranking). Table 19 shows the ranking of income of the SOAs in the Olympic Zone and the 5 Olympic boroughs in relation to the London and UK overall ranking. This data highlights very clearly the current level of income deprivation in and around the Olympic Zone: 42% of the SOAs in the Olympic Zone and 20% of those in the five Olympic Boroughs are amongst the 5% most deprived in England.

Table 19: Ranking of Super Output Areas on Income Deprivation Domain of Index of Multiple Deprivation (% of SOAs, 2004)

IMD Ranking (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	25%	15%	6%	5%
> 5 – 10	16%	9%	4%	5%
> 1 – 5	4%	1%	1%	4%
Up to 1	0%	0%	0%	1%

4.2.2 PWC suggest that Table 20 shows less marked levels of deprivation in relation to employment in and around the Olympic Zone: 20% of the SOAs in the Olympic Zone and 10% of those in the five Olympic Boroughs are amongst the 10% most deprived in England.

Table 20: Ranking of Super Output Areas on Employment Deprivation Domain in Index of Multiple Deprivation (% of SOAs, 2004)

IMD Ranking (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	9%	5%	3%	5%
> 5 – 10	5%	2%	1%	5%
> 1 – 5	0%	0%	0%	4%
Up to 1	0%	0%	0%	1%

4.2.3 According to PWC Table 21 shows a more positive position in relation to education, skills & training deprivation in and around the Olympic Zone: 5% of the SOAs in the Olympic Zone and 2% of those in the five Olympic Boroughs are amongst the 10% most deprived in England.

Table 21: Ranking of Super Output Areas in Education, Skills & Training Deprivation Domain on Index of Multiple Deprivation (% of SOAs, 2004)

IMD Ranking (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	13%	17%	8%	5%
> 5 – 10	20%	19%	9%	5%
> 1 – 5	38%	18%	6%	4%
Up to 1	4%	2%	1%	1%

4.2.4 Health

Table 22 in the shows the marked levels of deprivation in relation to health in and around the Olympic Zone: 32% of the SOAs in the Olympic Zone and 14% of those in the five Olympic Boroughs are amongst the 10% most deprived in England.

Table 22: Ranking of Super Output Areas on Health Deprivation Domain Index of Multiple Deprivation (% of SOAs, 2004) PWC 2005 Report

Ranking on IMD (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	23%	18%	5%	5%
> 5 – 10	26%	12%	3%	5%
> 1 – 5	6%	2%	1%	4%
Up to 1	0%	0%	0%	1%

4.2.5 As the IMD 2004 above highlight the Olympic boroughs and the Olympic zone in particular is currently characterised by poor health arising from a combination of a poor environment, high unemployment, low educational attainment and poor housing.

4.2.6 PWC suggest that local communities are expected to benefit from the economic and environmental improvements (which are discussed further on). These environmental improvements include the employment opportunities that will arise, improved community involvement and volunteer programmes which enable and promote interaction, foster a shared sense of belonging and develop links within and between local communities and cultures. Also included is the replacement of contaminated brownfield sites and derelict buildings with high quality areas of open space and parkland.

4.2.7 PWC suggest that potentially, the impacts could have positive impacts on many aspects of life including the quality of the environment, lifestyles, security, recreation and personal development skills and coping skills.

4.2.8 However as will be demonstrated below PWC note that during the period of preparation for the Olympics, local communities in proximity to the site are expected to experience up to five years of intensive development.

4.2.9 PWC summarise that the intensive level of construction required to transform the Lower Lea Valley into a renewed, healthy and desirable location and so deliver the Olympics has both costs and benefits. The costs reflect prolonged exposure to construction activities, potentially aggravating existing levels of poor health. However, intensive construction

may provide a health benefit which could potentially outweigh such impacts by delivering significant environmental improvements, employment and education opportunities contributing to improving physical, mental and social health. Other negative health impacts noted by PWC include an increase in visitation during the Olympics which would potentially disrupt services, access to facilities and social networks, with increased risk from communicable disease and traffic related accidents.

Table 23: Summary of expected public health impacts in North East London

Impact	Pre-event (2005-2011)	During Even (2012)	Legacy/ Post-event (2013-2016)
Socio-economic health	Very positive	Positive	Very positive
Physical health	Negative	Positive	Very positive
Mental health	Negative	Slightly negative	Positive
Well-being health	Negative	Positive	Positive

4.2.10 Overall PWC summarise that public health impacts appear to be significantly positive, particularly during the Olympics and the legacy phase. These benefits are experienced most strongly in the Lower Lea Valley as a result of improved access to new sporting and health care facilities. The health benefits are, however, anticipated to extend to London and across the UK as a whole due to the general promotion of physical and sporting activity.

4.3 ENVIRONMENT

4.3.1 As with the health and social baseline data collection PWC used the ODPM's IMD 2004 to assess the baseline environmental data of the Olympic area so as to be able to considering the potential environmental impacts of the Olympics, especially the local level impacts within the Lower Lea Valley and North East London more generally.

4.3.2 Table 24 shows the distribution of the ranking of the SOAs in the Olympic Zone, the five Olympic Boroughs, London and England in relation to access to housing. The table highlights very clearly the current level of housing deprivation in and around the Olympic Zone: 83% of the SOAs in the Olympic Zone and 60% of those in the five Olympic Boroughs are amongst the 10% most deprived in England.

Table 24: Ranking of Super Output Areas on Barriers to Housing Deprivation Domain Index of Multiple Deprivation (% of SOAs, 2004) PWC 2005 Report

Ranking on IMD (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	12%	23%	13%	5%
> 5 – 10	43%	34%	15%	5%
> 1 – 5	32%	22%	13%	4%
Up to 1	10%	4%	2%	1%

4.3.3 However care must be taken with this indicator as barriers to housing is a combination of overcrowding and of lack of access to services and amenities and there is no way of separating the two categories, hence the

high ranking may not be due to just one of these criterion but they represent very different issues.

4.3.4 Table 25 shows the distribution of the ranking of the SOAs in the Olympic Zone, the five Olympic Boroughs, London and England in relation to the crime domain. PWC suggest that these figures highlight very clearly the current level of deprivation in and around the Olympic Zone: 47% of the SOAs in the Olympic Zone and 33% of those in the five Olympic Boroughs are amongst the 10% most deprived in England.

Table 25: Ranking of Super Output Areas on Crime Domain Index of Multiple Deprivation (% of SOAs, 2004) PWC 2005 Report

Ranking on IMD (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	10%	11%	8%	5%
> 5 – 10	17%	14%	8%	5%
> 1 – 5	17%	14%	7%	4%
Up to 1	13%	5%	2%	1%

4.3.5 Table 26 shows the distribution of the ranking of the SOAs in the Olympic Zone, the five Olympic Boroughs, London and England in relation to access to the living environment. It highlights the level of deprivation in and around the Olympic Zone: 13% of the SOAs in the Olympic Zone and 23% of those in the five Olympic Boroughs are amongst the 10% most deprived in England.

Table 26: Ranking of Super Output Areas on Living Environment Domain Index of Multiple Deprivation (% of SOAs, 2004)

Ranking on IMD (% of all SOAs)	Olympic Zone	Five Olympic Boroughs	London	England
> 10 – 15	20%	17%	11%	5%
> 5 – 10	10%	15%	10%	5%
> 1 – 5	2%	7%	5%	4%
Up to 1	1%	1%	1%	1%

4.3.6 Impact on the Lower Lea Valley

PWC predict that in the Lower Lea Valley the scale and pace of regeneration following the Olympics are expected to generate substantial environmental benefits as Table 27 illustrates. These benefits include remediation of contaminated sites, redevelopment of brownfield land, restoration of river corridors, improvements to water quality, investment in low carbon energy infrastructure, undergrounding of electricity pylons, creation of a major urban green space and upgrading of other amenity areas. Some environmental improvements would still have been undertaken without the catalyst of the Olympics, however it would not have been to the same level or on the same quick timescales. In addition Newham Council anticipate that the Olympic Village will become a new, desirable and sustainable residential community with 3,600 new housing units.

Table 27: Summary of expected environmental impacts in the Lower Lea Valley

Impact	Pre-event (2005-2011)	During event (2012)	Legacy/post-event (2013-2020)
Land/water/air	Very negative	Positive	Very positive
Biodiversity/ecology	Negative	Very negative	Very positive
Energy	Slightly positive	Very positive	Very positive
Waste	Negative	Slightly positive	Positive
Culture/heritage/built form	Very negative	Negative	Negative
Amenity	Slightly negative	Positive	Very positive
Transport	Slightly negative	Slightly negative	Positive
Housing	Slightly negative	Neutral	Positive
Support for environmental industries	Neutral	Neutral	Positive

4.3.7 Table 27 above shows that the main negative impacts of the Olympics on the environment will be concentrated during the limited pre-event, construction phase. The Lower Lea Valley will be particularly affected since it will be the primary focus of the intensive construction programme. PWC anticipate that there will be a temporary deterioration of air quality due to the dust nuisance arising from the construction and demolition activities, and that there will also be an inevitable increase in road transport for movement of materials and waste (despite efforts to use rail and water transport to the extent possible). PWC list other negative environmental impacts as being increased soil and groundwater contamination related to the disturbance effects of the construction activities, disruption to existing eco-systems from relocation/loss of habitats, loss of waste management infrastructure and damage to the built environment and cultural heritage from the demolition process.

4.3.8 London 2012 predict that the new 500-acre park will transform the physical landscape of the area, and that the local economy will benefit too - before, during and after the Games.