



The Olympic Legacy

Headline Findings

LSE Housing and Communities, Centre for Analysis of Social Exclusion,
London School of Economics
Tel: +44 (0) 207 955 6330. Email: lsehousingandcommunities@lse.ac.uk

I. Introduction

The Games will transform one of the poorest and most deprived areas of London. They will create thousands of jobs and homes. They will offer new opportunities for business in the immediate area and throughout London...

Rt Hon Jack Straw MP, Foreign Secretary, statement to the House, July 6th 2005

The London Borough of Newham, home of the main Olympic Games park and stadium, is London's poorest borough and within the top handful of deprived areas in the country. It has changed very fast from being a white, working-class dock area in the 1960s, to a high unemployment, low skill, semi-neglected area in the 1980s, to becoming a dynamic hub for regeneration in the 1990s and 2000s. One of the tools of transformation was to create a major transport hub linking Eurostar, CrossRail and a high speed route to King's Cross, all at the Stratford Interchange.

Population¹

	1991	2001	2011
England	55,831,400	49,138,831	53,012,456
London	6,829,300	7,172,091	8,173,941
Newham	216,300	243,891	307,984

Newham	Population density (pp hectare)
1991	58
2001	67
2011	85

Newham's saw a rapid rise in population, increasing by 26% 2011-2011. The ethnic composition rapidly changed from predominantly white to majority minority by 2001. Today, the largest ethnic group in the borough is Asian², followed by White British, and Black³.

Ethnicity (%)

	1991	2001	2011
White	58	39	29
Mixed	-	3	5
Asian	27	34	43
Black	14	22	20
Other	1	2	3

¹ All from CENSUS 1991, 2001 and 2011, ONS

² Asian includes Indian, Pakistani, Bangladeshi, Chinese and other Asian as in 1991 and 2011 census. In 2001 Chinese was recorded under 'Other'.

³ Black includes Black African, Black Caribbean and Black Other

Housing also changed from being mainly rented through the local council to being predominantly rented through an even share between the council, housing associations (and other non-profit landlords) and private renting. The volume and share of private renting has doubled since 2001.

Tenure (%)

	2001	2011
Owner Occupied – Owned outright	15	13
Owner Occupied – Buying with mortgage	28	21
Shared ownership	1	2
Social rent - Council	25	18
Social rent – Other (Housing Association)	11	11
Private Rented Sector	17	34
Living rent free	N/A	1

NB. Living rent free was not listed as an available option in 2001. Furthermore, there was a Rented from Other option in 2001 which constituted 3% in Newham.

Meanwhile the low income level for ethnic minorities and for male manual workers remained stubbornly high, as in places like Liverpool and Glasgow. Only half of the working age population was in work in 2011, but this was an improvement from previously.

So have the Olympics produced the legacy that was desired and hoped for? There are some very significant monuments to the Games themselves such as the park, swimming pool and transport links. But the Olympics also reached deep into local communities, and this should not be overlooked in the babble of both criticism and praise for the way the Olympics themselves went and the way our leading sports figures are performing in 2013, one year after the Games.

II. Reactions from the street

In March to July 2012 LSE Housing and Communities went out onto the streets of Newham to get a sense of local perceptions on the Olympics. We asked 140 residents about their opinion of the Olympics and their levels of involvement, from attending the Games to gaining employment on the site. The residents we spoke to were largely representative of the wider Newham population, with a diversity of ages, ethnicities and economic backgrounds.

Key findings

Boost to Newham's image

The majority of residents we spoke to in 2012 felt that the area had benefitted from all the positive attention brought by the Olympics. During the games three quarters of those interviewed said that the Olympics had been positive for Newham's image, placing the area in the national and international spotlight as an inspiring place. Residents felt that this boost in image had been positive for the local population.

- ☞ *It's brilliant – it's a wonderful opportunity for Newham!*
- ☞ *The area has been known under a negative image, now everyone is coming to east London and I think that will only improve things.*

Frustration over local economic benefits

Residents expressed general frustration over the difficulty of tapping into economic activity developed by the Olympics. Residents resented that they had been promised economic benefits, which ultimately had not materialised. Few knew of someone who had received training or a job through the Olympics, and those that had said the jobs were temporary and low paid. Some residents complained that contracts had not been awarded locally and business owners in the area that we spoke to during the Olympic period said that the Games had been disappointing and sometimes devastating for their business.

- ☞ *I don't know anyone locally who's got work from it. It's 90% immigrants, a lot of them are East European.*
- ☞ *They're bringing people in from everywhere, they're not prioritising locals like they said they would.*
- ☞ *We were expecting more people on the streets but the signs in West Ham station direct people straight to the Greenway to get to the Stadium. It feels a bit like segregation... It's all happening inside the Olympic Park and it's all being kept there.*
- ☞ *It's brought no economic activity to local people. Carpenters Road on the Olympic site used to create work for local people. It was a hub for small business employing 5 to 10 people, it was fine, long term work. That's gone now and those that did get jobs have them for two weeks.*

Excitement over new facilities, but will they be accessible?

Locals consistently mentioned the new Olympic facilities as a top outcome of hosting the event. 70% of the residents we spoke to said they looked forward to the new facilities. However, scepticism was evident about whether the facilities would be available to locals at

an affordable price. Many residents concluded that the most decisive measure of a successful legacy will be how accessible the site is to the public and how it is managed.

☞ *It will help youngsters who have nothing else otherwise. If they keep the buildings open there will be swimming and sports for the youngster. There will be places for them to go.*

☞ *We would love to use the facilities if possible, and if it's not too expensive.*

More for young people

A dominant theme emerging from residents was concern over young people in the area and the need for more facilities, and training and employment opportunities for them. It was hoped that the Olympics might address this concern and that the event would be inspirational and motivational to young people.

☞ *The Olympics is a missed opportunity for jobs for young people – I don't know anyone who's got a job through it. I feel very sorry for young people. There were some lads locally here who applied for jobs at the Olympics but they were told they didn't have enough experience – the organisers had seven years to train these local people!*

Inclusive local events

Events held during the Olympic period by the local authority were valued by residents and made local people feel included in the event. This was particularly the case with the public viewing areas for which Newham Council set up big screens in local parks to cover the Olympic events. Two thirds of residents interviewed were aware of local events that the borough was hosting and appreciated this activity.

☞ *I've been to the screen in the park the last four days. It's always been well attended. It's nice for me to sit out here and be with other people.*

☞ *I went to Stratford Park on Friday for the opening ceremony and it was absolutely packed. I really enjoyed it!*

Bringing the community together

Positive attitudes towards the event grew during the Olympic period. Residents felt the area had come together around a common theme. The Olympics sparked conversation and provided a reason to gather in public areas.

☞ *It's been fantastic, because of the way the people have been around here. It's been good for the atmosphere, good vibes...It's great for the area too – it shines a whole new light on what people can expect for the future here.*

☞ *Everyone is smiling, saying hello, there's great weather. People are having BBQs and drinking outside. I can't believe this is England – people are celebrating, happy – it should be like this every day.*

- ☞ *There is a definite buzz here, it's increased the morale among locals and the place itself feel light somehow, not so heavy.*

Restricted access

Almost all residents we spoke to had been unable to find or afford tickets to the Olympics. Several residents were resentful of this due to the pre-event promise that local would be prioritised for tickets. The majority had never accessed the site.

- ☞ *I went to see it recently but I couldn't get in. I think that is really the most important thing, that we've been barred from the site for so long.*
- ☞ *It's nice to be getting the golds. On the other hand, it's not doing for the people here what it is meant to. We've paid for it and then we need to pay for it again with the tickets. It's not doing it for the local people and it's been bad for business, I'd say.*

Lasting local impact depends on legacy

The majority of residents are cautiously optimistic about the Olympics and the new infrastructure and facilities that have developed from the events. However, residents emphasised that whether the event will have positive local impact depends heavily on how the site is opened to the local population and managed in the future.

- ☞ *It's had a positive knock on effect for youngsters. It's inspiring. I think the Olympics had made them take pride in their borough.*
- ☞ *I hope there will be a legacy. After the Olympics they mustn't forget about helping people without jobs, they must continue to give people jobs in the area.*
- ☞ *It would be good if they opened the facilities to the youth after. It would be good if they make the facilities into more of an attraction for Newham.*
- ☞ *It will be nice for local schools and people – somewhere to do sport, it will hopefully be good for everyone.*

Personal benefit

The majority of residents said that they had benefited personally from the Olympics during the Games. This was particularly due to the entertainment value but also the improved local atmosphere, better facilities, investment in local parks and general cleanliness of the borough.

- ☞ *Yes, all my mates have got jobs and I'm working for a security company with an Olympics contract, it's been easy to get jobs... My daughter even got a job as a helper, she begins in July, She's very excited. It's her first job.*

A good investment?

Half of residents interviewed thought the Olympics had been a good investment, quoting improved local infrastructure, new facilities, and improved image as main benefits. Those who disagreed claimed it had been bad for business, created exclusive redevelopment and did not address the levels of deprivation of the surrounding area.

- ☞ *After hosting the Olympics the building remain. This area is becoming more and more advanced, new facilities and new business can only be good for the area.*
- ☞ *Everyone will be talking about the Olympics for years, and it's already a better place to live now.*
- ☞ *The whole regeneration is impressive, but it's really just going to be for those who have the money.*

Housing and the Olympics?

Housing is a clear local priority in Newham, but the residents we spoke to felt sceptical about the role the Olympic site would play in addressing this issue. Most residents believed that the site would either be unaffordable or not sustainable – plagued by crime and management issues.

- ☞ *I don't think it'll be for Newham people, we just get to walk past it.*
- ☞ *Not good – how can a family of 4 or 5 live in a flat with a small balcony and no parking? It's ok for single people but there are no houses – just flats.*
- ☞ *It's not long lasting, they should build terrace housing, that lasts for hundreds of years. The maintenances of high-rises isn't easy. Lots of different people live there so it's difficult to manage it.*
- ☞ *It's brilliant, but it depends on their price and who gets them. I've got three kids, and they'll never get to own their own house, the older two can't afford to buy.*
- ☞ *The new housing is a good thing as long as it'll be truly affordable*

Westfield for all?

Three quarters of those interviewed had a mixed view of the Westfield shopping development. Local residents felt the shopping centre was too expensive and bad for local high streets.

- ☞ *It's glitzy but local people can't afford it. I'm used to the old shopping centre. Maybe Westfield will become a ghost-town after the Olympics.*
- ☞ *It's ok, it's nice to look at. The poorer of us go to shops like Primark and H&M. It's not really aimed at people like us in Newham, it's more for business people.*

☞ *I think it's a disgrace. All the local shops and supermarkets are going downhill because they can't compete. In the winter people prefer to go there because of the warmth. They can shop, and sit and eat and then go home. It's killing the high streets like this. I used to make good money here, but now people don't go out in their neighbourhood.*

III. Legacy

The original Olympic bid set out a powerful case for reducing poverty, deprivation, isolation and integrating the poorest East London boroughs in the nearby city of London. The organisers of the London Games made a firm commitment, restated in the course of developing the Olympic site and delivering the Games, to leave a tangible legacy for East London after the Games themselves. The East London boroughs were set to gain short-term and long-term jobs; new infrastructure and connections; new, affordable housing; and more connections with London as a whole.

The promises have been followed through with more thought and commitment than had been forecast or believed. The London Legacy Development Corporation, set up in 2009, is tackling several major local priorities:

- housing,
- education,
- jobs,
- health,
- local facilities,
- access and connections.

East Village

The Olympic Village has been converted in one year from accommodation for 30,000 athletes into 2,000 homes from rent. They will be ready to let in the autumn of 2013. Half will be for rent from local social landlords; half for private rent. A new housing company, Triathlon, made up of East Thames Housing Group, Southern Housing Group and a private developer, First Base, is responsible for delivering and managing the 1300 social renting units. East Thames leads the consortium on the allocation and management of the homes and the overall orchestration of lettings, community development and tenant support.

Around one third of the **socially rented homes** will be for 'shared ownership', a low cost way of being part-tenant, part-owner of your home. Tenants acquire an equity stake of at least one quarter of the value of the property by paying a deposit and taking out a mortgage.

They pay rent on the rest of the flat (up to three quarters) to the housing association that owns the property, in this case Triathlon.

The **private homes** are owned by the Qatari investors, Qatari Diar Delancey or QDD. As lead investors, they are shaping the overall rental conditions within the tenancy agreements in close liaison with Triathlon. The high density and the integration of social and private homes requires tight, on-site management, which all parties have signed up to. A management company will take overall responsibility for maintenance and the smooth running of the site. It is a bold social and design experiment worth of the legacy promise. It harks back to the Victorian model dwelling companies that pioneered quality rented flats for tenants on moderate incomes.

The social rented homes are in high demand among nominated tenants from the four Olympic London boroughs. At least 50% of future tenants must be in work, a controversial requirement that in practice is a must, given the level of 'affordable' rents and the additional service charges. It is very difficult for anyone not in work to pay the full housing costs, with rents ranging from £137 to £187 a week – good value for high quality property on the edge of the Olympic Park, which is opening in July 2013, and adjacent to a major transport interchange. Service charges for heating, electricity, maintenance and so on, add approximately £50 a week to the rent. This makes the properties too expensive for a family dependent only on benefits. In addition local Council tax charges limit who can afford the additional costs. Extremely poor private flats and rooms are on offer for more money a stone's throw away.

Community Development

Making the Village a living mixed community is a fundamental goal and Triathlon have set up a Community Development Trust to take on a community development role and run Village facilities. A health centre has been built adjacent to the Village with a community centre above it. However the rental charge for this 'community' space is so high that the Community Trust cannot take it on at the moment. On the other hand, the Council has built a community hub at the entrance to the North End of the Park, which will be run by Community Links, a long-standing local community enterprise, providing a café, youth facilities and other services.

The Queen Elizabeth Olympic Park will re-open on 27th July with facilities, events, celebrations for the local community and a much wider public. There will be events over the course of the summer in the Park for the local community. There are over thirty new bridges

now connecting the Park, Village and future development sites for the surrounding community, carrying a strong message of determination to make the £9 billion investment in the Olympics actually be shared in East London.

Education

A big commitment in the plan for the post-Olympic Village was a new **Academy School** for children of all ages from nursery through to post-16. Newham, with Hackney and Tower Hamlets, has struggled with educational under-achievement and has pioneered several highly praised initiatives focusing on literacy, numeracy and music. All primary pupils learn an instrument for at least two years; the reading and numbers teaching are bearing fruit and free school meals are helping children concentrate. The new school will be open to the surrounding areas as well as the immediate Village in September 2013. Places are in high demand. Unfortunately, many Village tenants will not be allocated homes in time.

Jobs

Many jobs have been created over the years of the Olympic development, partly because of additional regeneration activity, partly because of Westfield, and partly because a lot is happening in Newham and surrounding boroughs. However, the growth in zero hours contracts, insecure and part-time jobs limits progress. Newham Council provides direct, 'Work Place' advice in different hubs across the borough, encouraging both job seekers and job providers to help Newham work. Jobs have increased in Newham over the past year.

Housing

The **housing market** in Newham is still cheaper than the London average but the private rented sector continues to expand fast and there is plenty of evidence of problems of quality, overcrowding, insecurity, eviction and poor landlord oversight. Newham Council is pioneering a voluntary registration scheme for private landlords and so far over 15,000 private landlords have registered. But there are still at least 10,000 unregistered landlords, thought to be those operating illegally in sometimes atrocious conditions. The register should have the obvious effect of reducing the number of rogue landlords and the flow of transient population through Newham. But until stronger government and London-wide policies are introduced, the pressure of low-paid insecure jobs will combine with a limited supply of cheap homes to drive standards in the unsupervised private landlord market of East London.

A new housing experiment

Newham could create its own private rental experimental model, much as it is doing for so many other features of local services – in school, training, jobs. Its failed deal with University

College London to sell off a tower block estate near the Park, the Carpenters, opens the door. Around 130 right-to-buy leaseholders have held out for the structurally sound tower block estate to be preserved and renovated. Several hundred flats could be renovated to high standards and let at breakeven rents, to demonstrate that 'long-term, patient' slow investment pays off, as the Peabody Trust proves. Neither the council nor the legacy body at the moment has alternative plans, but the GLA worked hard on an earlier plan to retrofit the estate only shortly before the controversial demolition deal with UCL became known. It is common knowledge that the tower block flats are structurally sound with high 'Parker Morris' space standards, great views and fantastic location. The estate could easily be converted for low-cost renting at break-even cost. What a great legacy and a pioneering model for quality-regulated private renting!

Conclusion

Overall, it is too early to say how the legacy will play out over a longer period. Lord Coe, Chairman of the Olympic Committee, says we need ten or twenty years to build the legacy in sport and we do not know whether this or future governments will honour the pledge to involve young people in active sport. Our schools are not yet leading the way on this. It will probably take 30 years for the bold regeneration plans of today to come to fruition. However, many direct impacts of the Olympics are already positive, not least that the follow-through is actually happening.

☞ *Of course the Olympics has put Newham on the map, everyone was leaving Newham as soon as they could, they used to say it's the most rundown borough in London. I think the Olympics has changed that. (Newham resident during Games)*

Acknowledgements:

These findings were produced by the LSE Housing and Communities research team. We would like to acknowledge the help and support of Elizabeth Finn Care, the London Borough of Newham, the London Legacy Development Corporation, East Thames Housing, and give with special thanks to the residents of Newham