



department for  
culture, media  
and sport

# Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games

Summary of Report 3: 'Baseline and Counterfactual'

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

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# Contents

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	page
<b>Section 1: Introduction</b>	<b>4</b>
<b>Section 2: Methodological overview</b>	<b>6</b>
<b>Section 3: Harnessing the UK's passion for sport</b>	<b>9</b>
<b>Section 4: Exploiting opportunities for economic growth</b>	<b>12</b>
<b>Section 5: Promoting community engagement and participation</b>	<b>17</b>
<b>Section 6: Driving the regeneration of East London</b>	<b>20</b>
<b>Section 7: Conclusion and next steps</b>	<b>24</b>

# Section 1: Introduction

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## 1.1 The 2012 Games

Over the July to September 2012 period, the UK will host the Olympic and Paralympic Games ('2012 Games' or 'the Games'). One of the key elements of London's bid for the Games was the commitment that they would result in a lasting legacy for the whole of the UK.

The vision for the 2012 Games is for it to be both a successful sporting event and also a catalyst for lasting change, before, during and after the event. The legacy plans for the Games focus on four areas – sport; the economy; community engagement; and the regeneration of East London – as well as the cross-cutting themes of sustainability and disability.

In pursuit of the legacy objectives, a large number of policies and initiatives have been – and continue to be – developed and implemented by a diverse range of organisations across the public, private and third sectors.

## 1.2 The meta-evaluation

The purpose of the meta-evaluation is to assess the impact and legacy of the 2012 Games and the various legacy projects, setting out impacts across the nations and regions, the host boroughs and on specific groups.

This meta-evaluation has been commissioned by the Department for Culture, Media and Sport (DCMS) but will report on impacts of legacy activity being driven by a wide range of organisations, communities and individuals.

Reports 1 and 2, published in Summer 2011, set out the research questions, method and analytical framework to be used by the meta-evaluation. This Summary of Report 3 sets out the baseline assessment and counterfactuals.

## 1.3 The baseline and counterfactual

The baseline and counterfactuals are of critical importance to the meta-evaluation as they describe the overall context within which the impact of legacy initiatives will be measured and evaluated and they will be important sources of information and evidence for the subsequent Interim and Post-Games evaluations.

Consistent with the analytical framework set out in Reports 1 and 2, the baseline and counterfactuals are assessed around the following legacy themes:

- **Sport:** harnessing the UK's passion for sport to increase school-based and grass roots participation in competitive sport and to encourage the whole population to be more physically active;
- **Economy:** exploiting to the full the opportunities for economic growth offered by hosting the Games, particularly with reference to inward investment and tourism;

- **Community Engagement:** promoting community engagement and participation in voluntary work across all groups in society through the Games;
- **East London regeneration:** ensuring that the Olympic Park can be developed after the Games as one of the principal drivers of regeneration in East London, with a particular focus on the high-tech and creative industries.

## Section 2: Methodological overview

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The baseline sets the context in which the impact of legacy initiatives will be measured and evaluated. The counterfactual is a description of the results, outcomes or impacts which would have been expected to have occurred in the absence of the 2012 Games and/or legacy interventions. Alongside evidence from project-level evaluations and primary research, the baseline and counterfactual will be used to assess and evaluate the impacts of the 2012 Games.

### 2.1 The baseline

A baseline is usually defined as a specific year and has the purpose of ensuring “*that the situation before the policy can be captured*”<sup>1</sup>. The meta-evaluation baseline is defined as 2003 which is the year the Government first committed support to London’s bid for the 2012 Games.

The bidding, construction, staging and legacy impacts of the 2012 Games are expected to occur in any subsequent year since 2003. These will initially be through the economic impact of the construction of the venues and infrastructure, followed by other pre-Games programmes and activities (eg Cultural Olympiad), event related activity in 2012 and longer-term legacy and regeneration effects post 2012.

The baseline is comprised of a range of economic, social, cultural and environmental indicators and survey results, developed under the research framework set out in Reports 1 and 2. These indicators have been selected taking into account the logic models and research questions developed in Reports 1 and 2, as well as the granularity and availability of data.

Although a significant number of indicators have been selected and described in this report, it should be noted that baseline and counterfactual evidence will also originate from project-level evaluations and through other analysis (modelling, case studies, primary research, etc).

More emphasis has been placed on these indicators than planned as the evidence base provided by project-level evaluations was originally expected to be more substantial. This is particularly true at this stage when few project-level evaluations have been completed but will also be true (although to a lesser extent) for the subsequent Interim and Post-Games evaluations. It should also be noted that many of these indicators are high level national trends which are impacted by a number of different factors. They should be considered as setting the context within which impacts will be measured in the absence of current project-level evaluations, rather than the sole measure of impact.

### 2.2 The counterfactual

The counterfactuals set out the extent to which policy, legacy activities and outcomes would have occurred in the absence of the Games and/or legacy interventions. Determining counterfactuals is particularly important for the meta-evaluation as it enables an assessment of additionality to be made, both in terms of additional policies and outcomes.

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<sup>1</sup> HM Treasury (2011). The Magenta Book, Guidance for Evaluation.

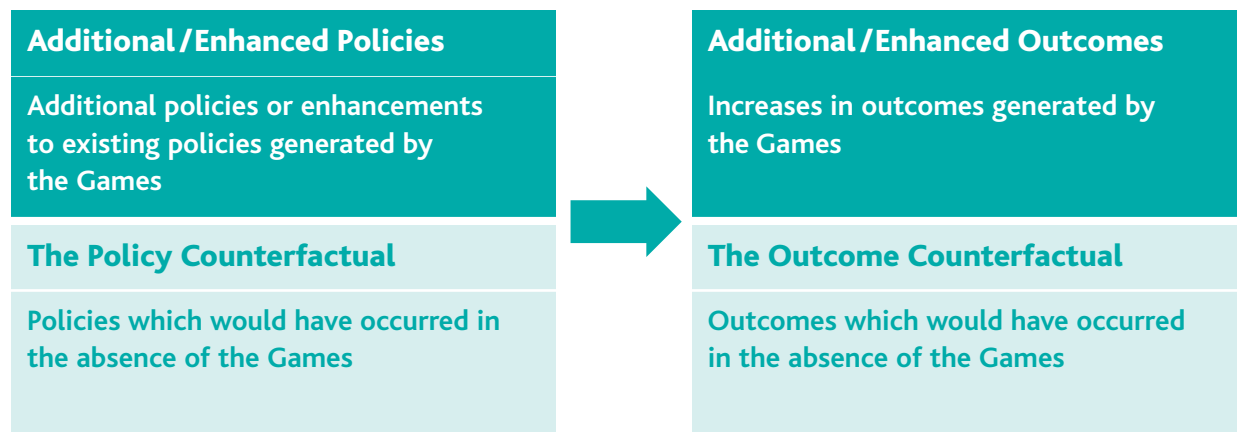
The counterfactuals for each legacy theme have been developed through analysis of baseline trends, identification of key drivers of change and through consultation with relevant organisations and stakeholders on their views on the influence of the Games.

Methodological challenges faced developing the counterfactuals include:

- Changes made to the Games legacy themes and related public sector policy and activities which will impact on and change the focus of the outcomes occurring from the Games;
- The lack of a suitable control scenario to explore the additionality of outcomes linked to the Games legacy activities;
- The impact of non-Games related policy changes, particularly transformational changes being pursued by the Government;
- The economic downturn which continues to exert downward pressure on economic trends and wider outputs and outcomes.

It is important to note that counterfactuals will rely to varying degrees on statistical information and evidence which will only become available through evaluations, surveys and analysis to be conducted after the Games have ended. Counterfactuals and baseline may therefore need to be refined in Report 4 and Report 5 as appropriate evidence emerges. The counterfactual is split into a policy counterfactual and an outcome counterfactual.

**Figure 2-1: The policy and outcome counterfactual**



### 2.3 The policy counterfactual

The policy counterfactual is an assessment (largely qualitative) of the key strategies, policies and initiatives likely to be in place or delivered in the absence of the 2012 Games. The assessment is not always clear cut as strategy and policy typically evolves over time.

The policy counterfactual covers, depending on evidence available:

- Underlying policy direction, strategy and priorities relevant to sub-themes around the time the Government first supported London's bid for the 2012 Games (ie pre-2003);
- Evolution of the government strategy and policy over the 2003 to 2011 period, particularly where organisations modified their approach in the light of the 2012 Games;
- Extent to which key activities (and initiatives) were new or already taking place prior to the development of the 2012 Games legacy strategy and the way plans have been re-focused, enhanced, brought forward or re-branded to capitalise on the 2012 Games opportunity.

The purpose of the policy counterfactual is to set the strategic context for the outcome counterfactual, rather than to isolate and attribute each and every policy, strategy, investment or activity to the 2012 Games. Such a definition and approach is complicated by the fact that legacy impacts are expected to flow largely from existing activities and resources harnessed to maximise the beneficial impact of the Games.

## 2.4 The outcome counterfactual

The outcome counterfactual sets out results that would have occurred on the ground in the absence of the Games. At this stage of the meta-evaluation, only trend-based techniques have been used to define the outcome counterfactual. In most cases project-level evaluations have not reported yet and 2012 data will be needed for some cross-sectional analysis.

Along with trend-based time series analysis, a variety of techniques are being used to define the outcome counterfactuals including the following:

- Project-level evaluations: Sourcing the counterfactual and baseline directly from the evaluations of legacy activities which are being conducted outside this study;
- Comparator or control group analysis: Undertaking comparator analysis through the selection of comparator boroughs to establish trends in the host boroughs relative to other similar local authorities, in order to establish the impact of the Games on selected indicators;
- Statistical or econometric analysis: Identification in statistical terms of the influence of a range of explanatory variables on the policy outcomes of interest;
- Monitoring data and other indicators, including triangulation of data – drawing upon data from multiple sources in order to infer the counterfactual;
- Bespoke modelling, such as macroeconomic modelling of the economic impact of the Games;
- Qualitative analysis, particularly case studies and consultation;
- Bespoke survey based methods.

The following sections set out the baseline, policy and outcome counterfactuals for each of the legacy themes.



## Section 3: Harnessing the UK's passion for sport

**Headline research question: What have been the impacts of the Games on sport and physical activity and in particular the development of mass participation, competitive school and elite sport?**

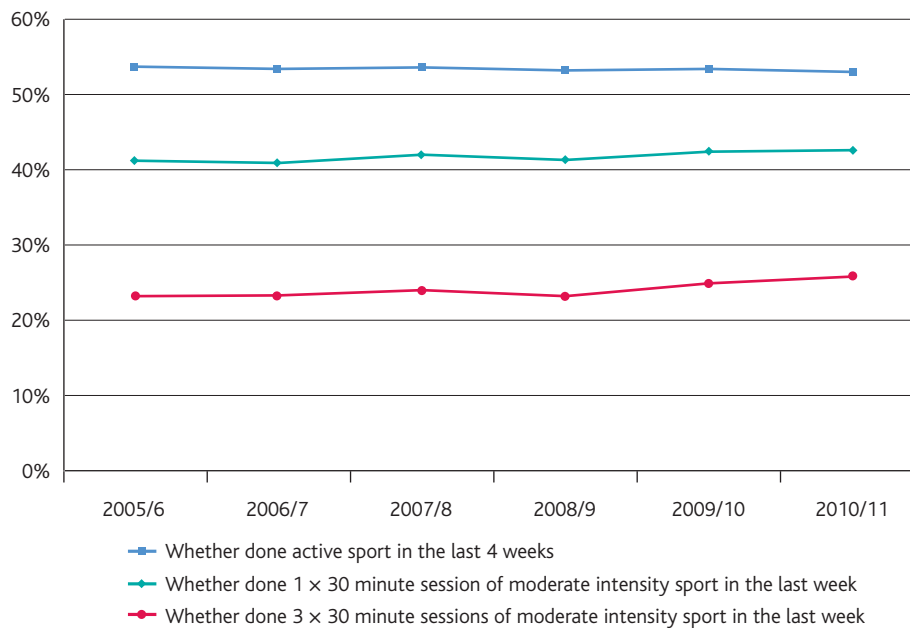
The legacy plans in the sport theme centre on harnessing the UK's passion for sport and encouraging physical activity. The baseline and counterfactual assessment across the different sub-themes of the sports legacy theme are summarised below.

### 3.1 Participation

Sport and physical activity participation trends are fairly stable. People taking part in sport<sup>2</sup> in the past four weeks in England averaged between 53.0% and 53.7% over the 2005/6 to 2010/11 period. Participation levels in the UK are slightly higher than the European average, with around 40% of people in the European Union regularly participating in Sport compared to 46% in the UK.<sup>3</sup>

One area which has seen some growth is around those people undertaking moderate intensity sport.<sup>4</sup> Those undertaking at least one session of 30 minutes of moderate intensity sport in the last week has increased from 41.2% in 2005/06 to 42.6% in 2010/11, while those undertaking 3x30 minute sessions in the last week has increased from 23.2% to 25.8% over the same period.

**Figure 3-1: Participation in sport by adults, by different measures**



Source: *Taking Part*.<sup>5</sup>

<sup>2</sup> Not including recreational walking and cycling.

<sup>3</sup> Sport and Physical Activity, Special Eurobarometer, March 2010.

<sup>4</sup> Including recreational walking and cycling where this is of moderate intensity (i.e. it raises the breathing rate).

<sup>5</sup> Taking Part is a major continuous survey of cultural and sport participation in England and has been undertaken every year since 2005/6. Taking Part has been used throughout the report to provide a picture of participation at a national level. Where there is a need for local level data or more detailed analysis by individual sports the Active People Survey has been used.

Male participation in sport tends to be higher than female, and tends to decline with age. Participation rates for black and other ethnic minorities as a whole are similar to the overall average. The composition of sports participation among adults is changing, possibly reflecting a shift towards personal fitness activities and less organised sport.

Sport England and other organisations have long-standing strategies to maintain and increase levels of sport participation. Many of these strategies were in place before the 2003 bid. In the absence of the 2012 Games, such strategies and programmes would still have gone ahead, albeit on a smaller scale. However, specific Games-related programmes aimed at participation, such as Places People Play and the School Games, would not have gone ahead or received funding without the Games.

Although the indicators on participation do show a high degree of stability, the limited number of annual observations makes it difficult to define a specific counterfactual with any degree of robustness. However, as participation trends are fairly stable, we would expect these to continue in the absence of the Games with a participation rate in 2012/13 of between 21.9% and 24.9% in terms of the '3 times 30' measure and between 53.1% and 53.9% in the terms of the participation in the past 4 weeks measure.

## 3.2 Infrastructure

The 2012 Games will be hosted in a range of existing and new venues located both within and outside of London. A total of 34 sporting venues will be used, with 9 new/permanent venues, 8 new/temporary venues, 15 existing/permanent venues and 2 enhanced/permanent venues.

Other wider baseline indicators across the infrastructure sub-theme are as follows:

- Population within 20 minutes of any sporting facility has increased from 88.5% in 2005/6 to 89.9% by 2007/8;<sup>6</sup>
- Sports volunteering has remained static since 2005 ranging from 4.5% to 4.9% of the population;<sup>7</sup>
- Around 1.1 to 1.2 million people provide coaching in the UK.<sup>8</sup>

Venues which are both new and permanent include the Aquatics Centre, BMX Track, Eton Manor, Handball Arena, Olympic Stadium, Velodrome and Water Polo Arena, all in the Olympic Park and Lea Valley White Water Centre outside London. Most of the Olympic venues and facilities would therefore not have been provided in the absence of the Games, although investments made in Games facilities in East London may have displaced some investment from other areas of London.

Through Places People Play, there are three programmes and almost £100 million of awards to facilities that are directly linked to the Games which would have not happened otherwise.

## 3.3 Elite sport

Success has already been achieved in the Games, with Great Britain and Northern Ireland ranked 4th and 2nd in 2008 in the Olympic and Paralympics respectively. From 1988 to 2004, medal performance at the Olympic Games has ranged from 10th to 13th (although it dropped to 36th at the Atlanta Games) and from 2nd to 4th at the Paralympic Games.

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<sup>6</sup> Taking Part.

<sup>7</sup> Active People.

<sup>8</sup> Sports Coaching in the UK, MORI (2004 / 2006 / 2008).

**Figure 3-2: Ranking and Medals Won (gold-silver-bronze)**

	Seoul 1988	Barcelona 1992	Atlanta 1996	Sydney 2000	Athens 2004	Beijing 2008
<b>Olympic Games</b>	12th (5-10-9)	13th (5-3-12)	36th (1-8-6)	10th (11-10-7)	10th (9-9-12)	4th (19-13-15)
<b>Paralympic Games</b>	3rd (64-66-63)	3rd (40-47-41)	4th (39-42-41)	2nd (41-43-47)	2nd (35-30-29)	2nd (42-29-31)

Source: UK Sport

In terms of the policy counterfactual for elite sport performance, the elite sport policy framework was set in 1997, with the establishment of the World Class Performance Programme (WCPP) following poor performance in Atlanta in 1996. Activity around elite sport developed momentum through the establishment of a variety of 2012-specific programmes targeted at athletes, coaches and future leaders and the consolidation of responsibility for the WCPP, the English Institute of Sport and the Talented Athletes Scholarship Scheme in UK Sport.

The strong Beijing performance may be seen in part as a consequence of the ongoing development of the WCPP itself, as well as the additional £200 million Exchequer funding made available for elite sport in 2006.

Without the 2012 Games there would still have been a trend towards integration of elite sport policy and delivery but at a much slower pace.

### 3.4 International

International development work around sport has not previously been undertaken and so the baseline is consistent with limited sport development in the international arena. Without the catalyst of the 2012 Games it seems unlikely that a significant investment around sport and international development would have been made. There would have been some, albeit limited, international development and disability work but International Inspiration, a programme aimed at inspiring 12 million children in 20 countries to become involved in sport, has clearly increased the reach and take up of sport for development projects in new countries unlikely to have been reached otherwise.

## Section 4: Exploiting opportunities for economic growth

*Headline research question: What have been the economic impacts of the Games, particularly in terms of employment and GVA?*

The economic legacy of the 2012 Games aims to exploit to the full the opportunities for economic growth offered by hosting the Games. Economic impacts should arise from a variety of sources including the construction of the venues and infrastructure, event related activity in 2012, skills and employment initiatives, tourism expenditure, wider legacy programmes and the longer-term effects of regeneration.

### 4.1 Total UK and London economic impact

Gross value added<sup>9</sup> in the host boroughs is estimated to be £34.8 billion in 2011, an increase in real terms of 96% since 1991, compared to 68% in London and 52% across the UK.<sup>10</sup> The 2012 Games have already had an economic impact on each of these areas. For instance, over £6 billion worth of contracts have been awarded by the Olympic Delivery Authority (ODA) to tier one suppliers and over 40,000 people have worked on the Olympic Park and Athlete's Village.<sup>11</sup>

However, estimating the counterfactual from these impacts is challenging. It cannot be approached by simply examining economic forecasts produced in 2003, as there have been many shocks affecting the outlook since then, particularly the global financial crisis. Displacement and crowding out effects are also significant. Not all the jobs created at the Olympic Park and by construction expenditure are additional, as some jobs would have been created in other sectors of the economy if the 2012 Games were not competing for labour.

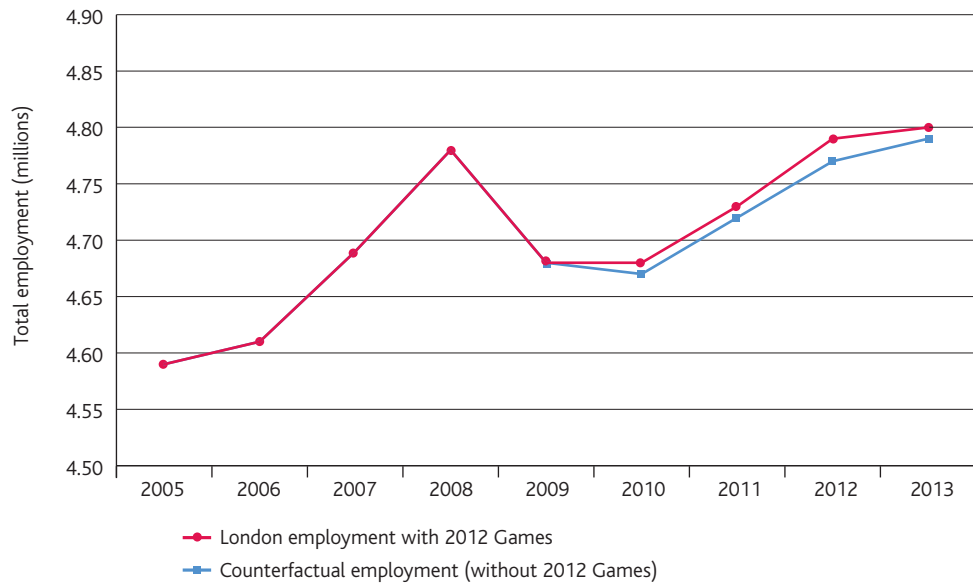
In a 2010 study, Oxford Economics estimated that the gross employment needed to deliver the 2012 Games would peak in 2012 at 51,000 across the UK, with around 34,300 of these based in London.<sup>12</sup> Figure 4-1 shows the 2010 estimate of London employment under the 'no Olympics' counterfactual. All these estimates need to be updated in the next phase of the meta-evaluation, taking into account fuller and more up to date information from the ODA and elsewhere on the direct employment and spending associated with the 2012 Games. It will also be important to take into account the latest economic outlook to improve the estimates of the knock-on effects on the economy more widely.

<sup>9</sup> Gross Value Added (GVA) is a measure of the value of goods and services produced in an area, industry or sector of an economy.

<sup>10</sup> Oxford Economics estimates (Autumn 2011). GVA in real 2006 prices, consistent with the 1995 European System of Accounts.

<sup>11</sup> ODA Employment and Skills Update (July 2011).

<sup>12</sup> Work Foundation and Oxford Economics (2009). A Lasting Legacy.

**Figure 4-1: Employment and counterfactual estimates for London**

Source: Oxford Economics (2010 estimates)

## 4.2 UK business access to 2012

The safeguarding and generation of additional employment and other spin-off benefits through the delivery of Games-related contracts is a legacy ambition, particularly in sectors offering the greatest Games-related potential such as retail, tourism, sports and recreation sectors and creative and high-tech industries. Employment in these five sectors accounted for nearly 17% of jobs in the host boroughs, 21.5% in London and 19.5% in Great Britain<sup>13</sup>.

Without the Games, it is very unlikely that the CompeteFor initiative, a website that allows companies to access opportunities in the London 2012 supply chain and other major public sector procurement opportunities, would have gone ahead on the same scale or timetable. Instead, there would have been a more piecemeal approach with varying e-procurement practices across the regions until other comprehensive national programmes were developed, such as the national Contracts Finder website launched by the Cabinet Office in January 2011 which is targeted at small and medium sized businesses.

## 4.3 Promoting the UK as a place to invest

In 2010, the UK had the highest share of both projects and jobs created by Foreign Direct Investment (FDI) in Europe, representing 19% and 14% of the European market respectively. Within the UK, London's share of FDI projects increased from 25% to 33% between 2000/1 and 2009/10.<sup>14</sup>

The exposure of London and the UK to leading international businesses through the 2012 Games is expected to generate higher numbers of inward investment enquiries and project successes both in London and across the UK. Without the Games, potential investors would be exposed to significantly lower levels of marketing information and programmes as initiatives such as the British Business Embassy and Global Investment Conference would not have happened.

<sup>13</sup> ONS, Business Register and Employment Survey.

<sup>14</sup> Ernst and Young European Investment Monitor 2011.

While the 2012 Games are expected to boost inward investment, other external, economic and location costs are likely to be the dominant factors influencing the investment decisions of international businesses. As these drivers will have such an impact from year-to-year, a trend based approach to isolating the Games influence is not practical. Instead, a difference-in-differences analysis of historical data to 2012 is the preferred approach, with the outcome counterfactual reflecting the average performance of comparator cities and nations in 2012<sup>15</sup>.

#### 4.4 Export and trade promotion

UK exports amounted to £225 billion in 2009, rising from £189 billion in 2001.<sup>16</sup> Trends in the value of exports will clearly be influenced by factors such as global economic prospects, the political environment, exchange rates etc, rather than just the 2012 Games. Nevertheless, with such large flows in goods and services, the 2012 Games only has to influence and create a small percentage increase in exports to have a sizeable economic impact.

With the awarding of the Games to London, UK Trade and Investment (UKTI) has been able to implement a more focused branding approach to promote companies providing services to the 2012 Games. It is likely that specific businesses that have either benefitted from Games-related contracts or been supported through the Government's Host2Host programme will generate more exports than they would have in the absence of the Games. The outcome counterfactual will be assessed in 2012 and 2013 using UKTI 'Performance and Impact Monitoring Survey' data.

#### 4.5 Tourism

Tourism before, during and particularly after the Games has the potential to bring some of the biggest benefits to the UK economy. Tourism already makes a sizeable contribution to the London and UK economy:

- Visits by non-UK residents to the UK increased from 24.7 to 29.8 million over the 2003 to 2010 period, with total expenditure amounting to £16.9 billion in 2010. London was the most popular region accounting for 49% of all international visits;<sup>17</sup>
- Overnight visits by UK residents to London totalled 11.6 million in 2010, representing a 9.7% share of the domestic tourism market, with associated visitor expenditure of £2.5 billion.<sup>18</sup>

Without the 2012 Games, some kind of national tourism campaign advertising Britain would have gone ahead, although it is likely that this would have been on a much smaller scale than the marketing activity in place for the Games, which includes an international marketing campaign with £120 million of public and private funding. Crucially, the private sector would have had less incentive to invest in tourism infrastructure without the Games.

Attendance at the 2012 Games is expected to reach 5.3 million people with a peak of 508,000 on Day 8.<sup>19</sup> Previous research estimates gross visitor spend in Britain generated by the London 2012 Games will be £2.34 billion for the ten year period 2007 to 2017, of which £1.85 billion will be spent in London.<sup>20</sup>

In terms of the counterfactual, survey evidence in 2010<sup>21</sup> suggests that the number of visitors in 2011 would be more or less the same without the Games. Some 22% of international visitors said the Games made them more likely to visit London in 2011 whereas 21% said the Games made them less likely.

<sup>15</sup> A difference in difference approach involves examining the trends that exist in a comparator area over time and then analysing how those trends differ from those in the area being studied.

<sup>16</sup> HMRC Regional Trade Statistics data.

<sup>17</sup> International Passenger Survey.

<sup>18</sup> United Kingdom Tourism Survey.

<sup>19</sup> Olympic Delivery Authority.

<sup>20</sup> Oxford Economics (September 2007). The value of the London 2012 Olympic and Paralympic Games to UK tourism. Figures in 2006 prices.

<sup>21</sup> Olive Insight (2010). Expected Impact of Olympics on Visiting London, research for Visit London.

Displacement is expected to be more of a factor in 2012 when the Games are actually taking place. Of those surveyed, 30% thought they would be less likely to visit London in quarter 1 2012, compared to 15% who said they would be more likely. The main factors putting off people are higher prices and that hotels and restaurants are expected to be busy. The difference is reduced to a net negative impact of 5% in quarter 2 2012 and the situation reverses to a 14% net positive effect in quarter 3 while the Games are taking place. Tourism agencies in London and the UK are undertaking marketing campaigns in 2012 to reduce this displacement effect.

By 2013, the displacement effect is expected to be eroded and tourism into London should increase due to the 2012 Games. Of those surveyed, 12% thought the 2012 Games would make them more likely to visit London and the UK.

A counterfactual for 2012 will be constructed in the next phases of the meta-evaluation, derived from the International Passenger Survey and Great Britain Tourism Survey results, as well as custom primary research.

#### 4.6 Employability and skills development

The employment rate across the whole of the UK declined slightly from 72.4% in 2004 to 70.2% in 2010. Conversely, the rate in the host boroughs increased from 59.0% in 2004 to 63.2% in 2010, showing a relatively significant upward trend and convergence towards both the London and UK averages.<sup>22</sup>

In terms of the policy counterfactual, employment and skills projects directly linked to the Games (eg Local Employment and Training Framework) and ODA and the London Organising Committee for the Olympic and Paralympic Games (LOCOG) focused employment and outreach initiatives (including measures to boost the disabled workforce) exhibit high levels of policy additionality. However, some elements of the London 2012 Employment and Skills Taskforce framework would have happened even in the absence of the Games as the framework is built on existing initiatives already funded and delivered by a range of agencies.

On the outcome counterfactual, it is assumed that the national and regional impacts of the Games on employment and skills levels will be small in comparison with the effects of all public sector programmes focused on these outcomes. A bottom-up approach involving identifying the numbers of additional individuals that have increased their skills and moved into sustainable employment due to the Games, drawing on relevant evaluation and survey evidence, will be most useful in constructing the counterfactual.

#### 4.7 Promoting sustainable business

The creation of a sustainable business legacy is about taking a sustainable approach to the planning, construction, procurement and staging of the 2012 Games and then transferring good practice and knowledge to other UK businesses. Baseline indicators are as follows:

- If there was a 'business as usual' or industry standard approach to sustainability, the carbon footprint of the 2012 Games would be expected to be 3.4 million tonnes of carbon dioxide equivalents;<sup>23</sup>
- The Low Carbon and Environmental Goods and Services (LCEGS) sector was estimated to employ around 910,000 people in 2008/09, with around 157,000 employees working in London.<sup>24</sup>

In the absence of the Games, it could be expected that existing trends in the adoption of green business practices would continue (rather than be accelerated because of the Games influence) and that rates of business and employment growth in the green sector would be lower.

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<sup>22</sup> ONS, Annual Population Survey.

<sup>23</sup> LOCOG (2010) Carbon Footprint Study – Methodology and Reference Footprint.

<sup>24</sup> Low Carbon and Environmental Goods and Services: an industry analysis (BERR, 2010).

The take up of the new BS8901 events management quality standard to promote sustainable practices within the industry will provide a useful ongoing measure of additional impact linked to the Games.

## 4.8 Disability

Disabled people can face difficulties accessing transport, including public transport, and Games-led legacy initiatives aim to help alleviate these problems, particularly within London. Tackling barriers to employment and improving skills among disabled people is also a key feature of the disability legacy. In terms of the baseline:

- The proportion of disabled people likely to report having difficulties in using transport declined from 27% in 2005 to 23% in 2010;<sup>25</sup>
- Only 47.3% of London's disabled working age people were in employment in 2009 compared to around 70% for the general working age population.<sup>26</sup>

Accessibility improvements funded directly by the ODA would not have taken place in the absence of the Games; however, some other improvements and investments were already taking place, often led by wider national partners like Department for Transport (eg step free access at various national rail stations). As of late 2010, 22.2% of London Underground stations were step-free from street to platform and 3.7% were step free from train to platform.<sup>27</sup>

Since 2008, LOCOG have set in place 'Access Now' a scheme to ensure the diversity of its workforce, specifically targeting disabled people. LOCOG also track the numbers of disabled people they have recruited to help prepare for and stage the Games.

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<sup>25</sup> ONS Opinion Survey (published October 2011).

<sup>26</sup> ONS, Annual Population Survey.

<sup>27</sup> TfL (2010) Travel in London – Report 3.



## Section 5: Promoting community engagement and participation

**Headline research question: What have been the social impacts of the Games, particularly in terms of volunteering, the cultural sector and community engagement?**

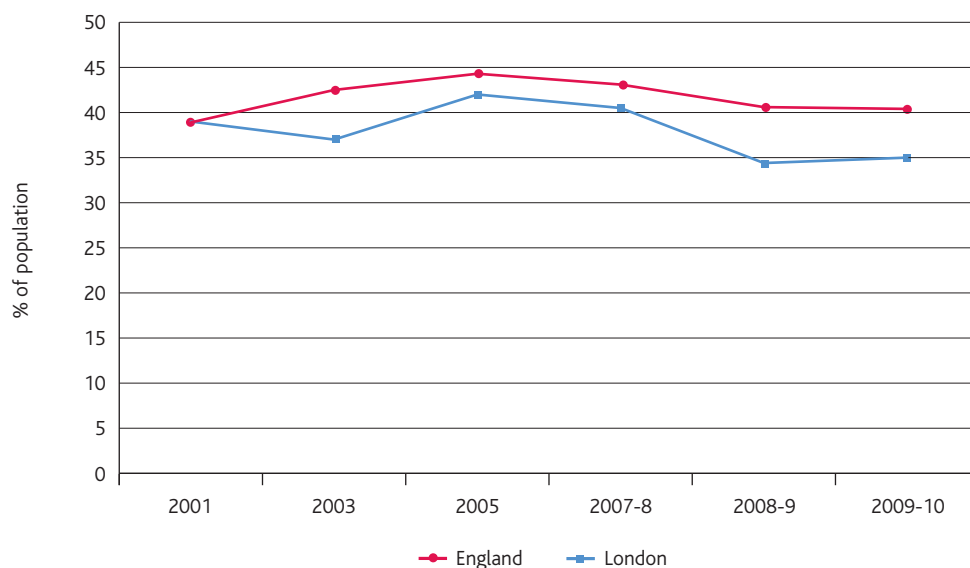
The legacy plans under this theme aim to promote community engagement and participation in community-based activities including volunteering, leading to more cohesive and proactive communities and supporting the creation of the Big Society.

The baseline assessment across the sub-themes of the community engagement legacy theme are summarised below. The baseline indicators include engagement in volunteering and cultural activities, educational attainment, sustainable behaviours and attitudes towards disability.

### 5.1 Volunteering and social action

Participation in volunteering has experienced a small decline nationally since peaking at 44% in 2005. Volunteering rates in London are below the national average, with only 35% of Londoners undertaking formal volunteering<sup>28</sup> over the previous 12 months in 2009/10, the second lowest rate in England after the North West.

**Figure 5-1: Percentage of the population volunteering at least once in the last 12 months**



Source: Citizenship Survey

More frequent participation in volunteering shows similar trends, with 25% of the population of England volunteering formally at least once a month in 2009/10, compared to 20% in London.

<sup>28</sup> Citizenship Survey. Formal volunteering is defined as unpaid help given as part of a group, club or organisation to benefit others or the environment.

The scale of promotion of volunteering and engagement generated by the Games (eg through Games Makers and the Inspire Mark programme) is very unlikely to have happened if London had not been chosen to host the 2012 Games. There would have probably been greater interest in volunteering as part of the Big Society agenda but it is expected that it would have taken some time to introduce specific volunteering initiatives.

In the absence of Games-related volunteering activities, participation in volunteering would be expected to have continued to decline in the short-term, perhaps by around 1 percentage point per year based on a continuation of recent trends.

## 5.2 Culture

Engagement with culture and with the arts has remained relatively unchanged over the last five years. Participation in arts activities is polarised – 60% participate at least three times a year but 25% never participate.

The Cultural Olympiad, a four year programme of cultural activity, is an integral element of the 2012 Games. In the absence of the 2012 Games, there would have been no major new policy interventions focused on increasing cultural participation or developing the creative sector; however the Games has resulted in some diversion of National Lottery funding from the arts and heritage good cause areas.

For the outcome counterfactual, it is expected that existing trends (ie prior to the date that Cultural Olympiad activity commenced) would have continued in the absence of the Games. For cultural participation this suggests in the short-term a continuation of modest growth in attendance at cultural facilities and little growth in arts participation.

## 5.3 Engaging children and young people

Activity under this sub-theme aims to use the Olympic and Paralympic values as a means to inspire and motivate children and young people. Educational attainment and attendance data for the host boroughs provides a proxy for these inspirational effects:

- Educational attainment has been improving across England, with the percentage of pupils achieving five or more A\*-C grades including English and mathematics at GCSE increasing from 44.7% in 2004/05 to 58.3% in 2010/11.<sup>29</sup> Performance in the host boroughs has been lower than in England, although Barking & Dagenham, Hackney and Greenwich have made significant progress in closing the gap;
- There has been a marked improvement in school attendance over the last five years across the host boroughs.

In terms of education policy, the broad direction as set by the previous and current governments would have continued in the absence of the Games. Interventions which use the Olympic and Paralympic values as a means to inspire and motivate young people (such as the Get Set programme) are additional to what would have been the case without the Games.

Under the outcome counterfactual, there would have been a continuation of existing trends in pupil attainment and attendance at the school level, including socially excluded groups targeted.

## 5.4 Sustainable living

Legacy activity in this area is tasked with using the Games as a catalyst to encourage increases in sustainable behaviour. Indicatively this can be measured by monitoring broad indicators such as patterns of energy use, waste production and travel behaviour.

<sup>29</sup> Department for Education (2011) GCSE and Equivalent Results in England 2010/11 (Provisional). SFR26/2011.

- Average domestic energy consumption across Great Britain fell from 10,100 kWh per capita in 2003 to 9,100 kWh in 2007. Consumption in the host boroughs is below this level;<sup>30</sup>
- Between 2008/09 and 2009/10 there was 2.7% decrease in the amount of household waste being produced in England, coinciding with an increase in the proportion of household waste sent for recycling;<sup>31</sup>
- The number of car driver and car passenger trips in Great Britain has decreased by 7% and 9% respectively since 1995/97.<sup>32</sup>

The proposed policy counterfactual is that, in the absence of the Games, there would have been no significant additional driver of individual behavioural change (energy and resource use and travel behaviour). However, there would continue to be work targeting households, for example the RENEW programme being delivered in London and work being undertaken by energy providers more widely as part of efforts to meet the UK's carbon reduction targets (the undertaking of which is largely unaffected by the presence of the Games).

The outcome counterfactual is represented by existing forecasts for emissions, energy and resource use, to the extent that these incorporate the target reductions in household energy use and/or analysis of current trends relating to transport behaviour.

## 5.5 Influencing attitudes towards disabled people

The Games are an important event in terms of providing a catalyst for changing public perceptions of disability. Before, during and after the 2012 Games, organisations such as Channel Four will attempt to maximise these benefits through their programming schedules and approach to televised coverage of Paralympic events. Some baseline indicators from the British Social Attitudes Survey that track attitudes are as follows:

- People thinking of disabled people as the same as everybody else increased from 77% in 2005 to 85% in 2009;
- People who think of disabled people as 'getting in the way' fell from 9% to 7% over the same period;
- The proportion of people who felt that disabled people face a lot or a little prejudice, which was 79% in 2009, a four percentage point rise compared to 2005.

Without the Games it would have been difficult for the government to undertake activity to promote positive messages about disabled people on such a large scale. Equally, the Games provide an unprecedented opportunity for generating positive media coverage of disabled people, on a scale that is unlikely to have taken place otherwise.

The outcome counterfactual is that without the catalyst provided by the Games, public attitudes towards disabled people would continue to change along the existing trend.

<sup>30</sup> Department for Energy and Climate Change. High-level indicators of energy use at regional and local authority level.

<sup>31</sup> Defra (2010) 'Statistical Release: Municipal Waste Management Statistics for England 2009/10'.

<sup>32</sup> Department for Transport (2009) National Travel Survey 2009.

## Section 6: Driving the regeneration of East London

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*Headline research question: What have been the impacts of the Games on East London, and in particular socio-economic and organisational change?*

The East London legacy plans centre on ensuring that the Olympic Park can be developed after the Games as one of the principal drivers of regeneration in East London. Baseline indicators cover commercial and residential property, green space, local satisfaction levels, community cohesion, business and employment levels and economic structure.

Outcome counterfactuals will largely be defined using a control group approach, where trends in baseline indicators to 2012 for the host boroughs as a whole will be compared against the performance of a set of similar local authorities as a whole (ie the so-called 'comparator boroughs'). This will be supplemented with analysis of time series for other indicators and consultations.

### 6.1 Transforming place

Impacts expected in this sub-theme focus on physical development in and around the Olympic Park, including land remediation, venues and the development of the Park itself. House prices and housing completions are key baseline indicators. Trends in these indicators show:

- House prices in the host boroughs have increased by 35% between 2003 and 2010, broadly in line with those in the rest of London which experienced a 36% increase;<sup>33</sup>
- Housing completions in the host boroughs averaged 6,100 units per annum over the 2003 to 2009 period.<sup>34</sup>

The policy counterfactual is based on the Lower Lea Valley Area Development Framework drafted in 2003, which is the most recent and relevant public planning document with a 'no-Games' scenario. The framework was developed by the London Development Agency with support from the London Thames Gateway Development Corporation.

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<sup>33</sup> Land Registry Data.

<sup>34</sup> Greater London Authority, London Development Database.

**Box 6-1: Lower Lea Valley Accelerated Development Framework (2003)**

The Lower Lea Valley Area Development Framework sets out a 20 year vision for the area to become a 'Water City', comprising some of London's premier mixed commercial and residential districts. The framework covered 600 hectares and priorities included transport infrastructure, underground power lines, creation of high-density residential and commercial developments, new open space, business development, enhanced community facilities and support for lifelong learning.

The gross public sector cost was estimated in 2003 at £1.3 billion and the net cost at £370 million. Low, high and full masterplan intervention scenarios to 2023 are shown below.

	Do nothing	Low	High	Full masterplan
Floorspace (000 sqm)	300	400	590	1,010
Residential units	13,900	15,600	28,900	35,500
Gross employment	30,200	33,100	38,100	43,500
Net additional employment		3,000	8,000	13,400

Clearly there has been some significant economic and social changes across the area since these plans were developed, not least the housing crash and economic recession over the 2008-2010 period which almost certainly will have made these targets more difficult to achieve. However, the framework provides a good indication of the policy counterfactual for the Lower Lea Valley and the outcome counterfactual for the housing units delivered.

## 6.2 Transforming communities

The 2012 Games should benefit local communities through direct transport, housing, leisure and other investments, which can impact directly on resident satisfaction and community cohesion, as well as indirectly by improving the image and perception of the area. The baseline and outcome counterfactual is constructed using the following evidence from local resident surveys:

- Satisfaction with the local area increased from 56% to 65% in the host boroughs from 2006 to 2008, compared to 69% to 75% in London.<sup>35</sup> It is expected that this convergence trend would have continued in the host boroughs;
- Social cohesion, measured by the proportion of people who agree their area is a place where people from different backgrounds get on well together, declined between 2006 and 2008 in the host boroughs and London by around 2%, measuring 67% in host boroughs in 2008 compared with 76% in London.<sup>36</sup> Without the 2012 Games it is expected that this trend would have continued over the short-term.

The policy counterfactual is closely related to the Lower Lea Valley Area Development Framework described above. The outcome counterfactual is based on a variety of evidence, with housing completions in the host boroughs expected to otherwise average around 4,500-5,500 units annually. The Area Development Framework also provides evidence of the community facilities which would have been delivered in the absence of the Games.

<sup>35</sup> Using data from the 2008 Place Survey, DCLG and 2006 Best Value General Survey, Audit Commission.

<sup>36</sup> 2008 Place Survey, DCLG and 2006 Best Value General Survey, Audit Commission.

### 6.3 Transforming prospects

The construction of the Olympic Park and wider economic and social regeneration will increase employment in the local economy and should also stimulate business growth in the surrounding areas. Such activity is critical to this theme which covers economic prospects generated by the 2012 Games around employment and skills development and business investment.

The baseline is expressed by employment rates and the number of businesses:

- The number of businesses grew 14% between 2003 and 2008, compared to 10% in London. The average annual growth rate over this time was 2.6% for the host boroughs and 1.9% in London;<sup>37</sup>
- The employment rate grew 3.3 percentage points between 2003 and 2010, compared to London as a whole where employment fell by 1.1 percentage points.<sup>38</sup>

Without the Games, employment and skills initiatives in East London would still have taken place, but without the emphasis and focus provided by the 2012 Games. Prior to the bid for the 2012 Games, East London had already been a focus for overarching skills and employment initiatives. The London Development Agency<sup>39</sup>, the Learning and Skills Council<sup>40</sup> and the Thames Gateway London Partnership for example, have all delivered or contributed to regional initiatives.

The 2012 Games has allowed resources focused on East London to deliver actions to exploit the employment and skills-development opportunities associated with the Games (e.g. LEST, the London Employment and Skills Taskforce for 2012). The outcome counterfactual will be informed by comparator boroughs analysis using 2012 data.

### 6.4 Convergence

This sub-theme covers all activity that helps meet the convergence aspiration that *“within 20 years, the communities which host the 2012 Olympic and Paralympic Games will enjoy the same social and economic chances as their neighbours across London”*.<sup>41</sup>

To measure progress in this sub-theme, the baseline indicators chosen mirror those in the Strategic Regeneration Framework.<sup>42</sup> Key baseline trends are as follows:

- Unemployment rate increased from 9.7% to 12.2% in the host boroughs over the 2003-2010 period, largely as a result of the economic downturn. The increase was not as marked in London overall, where unemployment increased by 1.9 percentage points to 9.0%;<sup>43</sup>
- Worklessness in the host boroughs was almost 20% in 2010, which is higher than across London (14%) and across England and Wales (14%);<sup>44</sup>
- The proportion of pupils at Key Stage 4 who achieved five or more GCSEs at grades A\*-C in the host boroughs was 72% in 2009, lower than across London (78%) or England (75%);<sup>45</sup>
- Median wage of residents has been rising slightly faster in the host boroughs than in London, increasing 22% in the host boroughs over the 2003-2010 period compared to 21% across London and 21% in England and Wales.<sup>46</sup>

<sup>37</sup> Annual Business Inquiry.

<sup>38</sup> Annual Population Survey.

<sup>39</sup> Office of the Deputy Prime Minister (2003). Sustainable Communities: Building for the Future.

<sup>40</sup> Learning and Skills Council. London East Annual Plan 2003-04.

<sup>41</sup> Host boroughs (October 2009). Convergence, Strategic Regeneration Framework, An Olympic legacy for the host boroughs.

<sup>42</sup> Host boroughs (October 2009). Convergence, Strategic Regeneration Framework, An Olympic legacy for the host boroughs. The SRF is a strategic, cross-borough blueprint for improvement.

<sup>43</sup> Annual Population Survey.

<sup>44</sup> Department for Work and Pensions, Benefit claimants – working age client group data.

<sup>45</sup> Department For Education, GCSE and equivalent results in England data.

<sup>46</sup> Annual Survey of Hours and Earnings.

In relation to the policy counterfactual, the strategic planning role played by the Olympic Park Legacy Company and the forthcoming Mayoral Development Corporation would not have existed without the Games. The host boroughs unit would also not have existed which helps coordinate policies and strategies across the six boroughs.

In terms of the outcome counterfactual, there may have been individual regeneration programmes delivered but the counterfactual would be a continuation of trends with regards to socio-economic outcomes in the East London area.

## Section 7: Conclusion and next steps

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### 7.1 Conclusion

The objective of the meta-evaluation is to synthesise the findings of individual 'project-level' evaluations commissioned outside of this study, in order to assess the additionality, outputs, results, impacts and associated benefits of the investment in the 2012 Games.

The baseline assessment covers analysis of historical trends in these indicators, an assessment of the factors likely to have driven any changes and identification of any issues or uncertainties with the data.

In relation to the outcome counterfactual, at this stage of the meta-evaluation, only trend-based techniques can be used to define the counterfactual, as many project-level evaluations have not been completed or commissioned and 2012 data which is needed for cross-sectional analysis is not yet available.

In terms of the policy counterfactual, many of the legacy initiatives are new activities which have been developed as a result of the 2012 Games. In addition, a number of pre-existing policy initiatives may have been at risk of being scaled back or cancelled as a result of the economic downturn, with the impetus of the Games being instrumental in keeping them going.

### 7.2 Outputs and next steps

This Summary of Report 3 sets out the baseline and counterfactual of the meta-evaluation and should be read in conjunction with the other reports:

- Report 1: Research questions and scope (published Summer 2011);
- Report 2: Methods (published Summer 2011);
- Report 3: Baseline and counterfactual (published early 2012);
- Report 4: Interim or pre-Games evaluation (Autumn 2012);
- Report 5: Post-Games initial evaluation (Summer 2013).

The next steps will be to commission primary research and to produce the Interim Evaluation (Report 4).







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