



Government Response to the
House of Commons Welsh Affairs
Select Committee Report on
Potential Benefits of the 2012 Olympics
and Paralympics for Wales,
8th Report of Session 2008-09 HC162

*Presented to Parliament by the
Paymaster General
by Command of Her Majesty
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Introduction

The Government notes the conclusions and recommendations set out in the report.

The Government remains firmly of the view that the social, economic and sporting benefits of the London 2012 Olympic and Paralympic Games will be felt by people all across the UK, including Wales. The Government's legacy action plan *Before, During and After: making the most of the London 2012 Games* published on 6th June 2008 provides a framework and a set of priorities for creating long-term legacy benefits from the Games.

In setting out detailed plans on how the benefits of the Games will be maximised across the UK, the Government can assuage the Committee's fears about the potential cost of new facilities for mountain biking and canoe slalom and the potential impact of transfer of Lottery funds. The transfer of additional funds from the non-Olympic Lottery good causes has been arranged in a way that the Lottery distributors indicated would minimise the impact. The House of Commons voted overwhelmingly in favour of the Order providing for this and the House of Lords approved it without a vote.

Response to conclusions and recommendations

The Government notes that some of the recommendations are for the Welsh Assembly Government rather than UK Government to consider but makes the following responses.

Delivery Structure

1. We welcome the fact that Wales is represented on the Nations and Regions Group. However given the need to ensure that the benefits of the Olympics are maximised in Wales, we believe that the Department for Culture, Media and Sport should establish a direct relationship with the Welsh Assembly Government during the pre-Olympic period and facilitate representation and contact at each relevant point within the bureaucracy of the London Olympics. There is a need for Ministerial leadership as well as the engagement of officials and other representatives from Wales, and we urge the Wales Office to be pro-active in helping to achieve this and in facilitating contact at each relevant point in the highly-complex network of organisations engaged in the Olympic process. (Paragraph 9)

The Government fully recognises the importance of Ministerial leadership as well as the engagement of officials with the Welsh Assembly Government and other representatives from Wales.

At Ministerial level, Sports Cabinet brings together all four of the UK home countries to focus on issues of common sporting interest affecting the United Kingdom and the identification and sharing of good practice. The Sports Cabinet already includes as a standing agenda item a regular update on all aspects of 2012 and was most recently provided with progress on UK wide legacy. Furthermore, the Minister for Heritage in Wales sits on the Minister for Sport's Sporting Legacy Board. The Minister for Sport is keen that this is maintained to ensure that issues impacting the Devolved Administrations are fully discussed.

The Government Olympic Executive (GOE), which is part of the Department for Culture, Media and Sport (DCMS), has already established a high level of direct engagement with colleagues in

Wales and has established a Government Operations Group, to discuss matters of mutual interest across Government departments in respect of staging the Games. Welsh Assembly Government colleagues are invited to attend these meetings.

On specific issues, officials from GOE and the Welsh Assembly Government are regularly in touch. For example, in developing regulations under the London Olympic Games and Paralympic Games Act 2006 to place temporary controls on advertising and street trading at and around Olympic events in 2012.

In future, officials will engage and involve Welsh colleagues in plans for UK wide operations (generically referred to as ‘City Operations’ in many sources, including the International Olympic Committee). City Operations is the work required, outside official venues, to host “an inspirational, safe and inclusive Games” to ensure that the UK meets the challenges presented by Games time, planning for the additional effect of the Games on a range of public services and delivering an excellent ‘Games’ experience for all client groups.

Mountain biking and canoeing

2. We welcome the fact that Wales will host some of the football tournament’s pool games. As this location was accepted by the International Olympic Committee, we can see no reason why further events could not be held in Wales. The original bid missed an opportunity to locate events in Wales and in this period of financial uncertainty it seems misguided for the Government to build expensive new venues for mountain biking and the canoe slalom when Wales already has highly suitable facilities for such events. (Paragraph 16)

We do not accept the Committee’s view that in the current economic climate it is misguided for the Government to build new venues for mountain biking and canoe slalom. Whilst we recognise that mountain biking has a rich history in Wales and is home to some of the finest biking routes and facilities, Essex was the host county for the event during the Bid. Therefore when Weald County Park site became unviable due to changing requirements for the sport that resulted in the need for a more technical and challenging course, the London Organisation Committee of the Olympic and Paralympic Games (LOCOG) wanted to consider all options within the county, and in close proximity to the Olympic Park, before looking further afield.

A suitable alternative was found at Hadleigh Farm, which was approved by both the International Federation and the International Olympic Committee (IOC). Essex County Council, as a key partner in delivering the venue for 2012, are committed to delivering a legacy mountain bike facility post Games. The Olympic course will be retained to provide mountain biking opportunities for the local community, plus competition use. To support these legacy plans Essex County Council has recently appointed a 2012 coordinator who will develop the legacy plan around a cycling/sport skills centre and health and fitness, plus future event potential.

Similarly, Broxbourne and the white water canoe course will provide a substantial legacy with a facility for both elite and leisure use that has previously not been available in the area.

London won the Bid on the promise of a compact Games. Ensuring a compact Games applies to most sports, but in previous Games this does not ordinarily apply to sailing events (for obvious reasons) or to the football competition (which requires a number of stadia). The International Federation for football expects rounds of the Olympic football tournament to be held across the host nation. This in no way affects the need for other sports to be hosted near to the Olympic Village, the key reason for a compact Games. To have selected venues further afield could well have meant that the London 2012 bid did not succeed in Singapore – as well as increasing costs, because of the need for satellite Athletes Villages and increased transport. Both sites in Essex and Hertfordshire provide great proximity to the Olympic Park and the rest of London.

Hosting Capacity

3. Wales's first class facilities were rightly recognised and included in the list of pre-Games training camps. We hope that the Government will continue to make every effort to publicise the facilities that exist in Wales and to encourage foreign teams to base themselves in Wales during the pre-Olympic period. Welsh Members of Parliament and the Wales Office can also play a role in this process. We congratulate the Welsh Assembly Government, the Wales Office and sporting organisations in Wales for the progress they have already made in promoting Wales and its facilities and would urge continued lobbying particularly for increased use of Welsh facilities. (Paragraph 30)

The Government fully supports the Committee's recommendation and would encourage all Welsh Affairs Committee Members, the Welsh Assembly Government and Wales Office to promote the excellent facilities in Wales as potential venues for Pre-Games Training Camps.

Wales is in a strong position to take advantage of the financial incentive being offered by LOCOG to help them attract teams from overseas. This scheme can offer up to £25,000 to help attract Olympic and Paralympic teams, which can then be spent at the facility itself. Most of the 205 National Olympic Committees and 165 National Paralympic Committees are expected to send small teams. For the first time, these teams are being encouraged by the financial incentive to base themselves in the UK. This scheme is designed to cover direct costs incurred at the camp including venue hire, accommodation, local transport, medical services and security and will be paid by LOCOG directly to the facility involved after the camp has taken place.

In addition, LOCOG has teamed up with VisitBritain to develop a dedicated training camps website with full venue details to allow National Olympic Committees and National Paralympic Committees to decide where to train as they prepare for London 2012; facilities in Wales feature prominently.

The Wales NRG Coordinator who is an official working in the Welsh Assembly Government is working with the LOCOG on the wider Nations and Regions effort to market all UK facilities.

4. The Welsh Assembly Government is making efforts to ensure that foreign Olympic and Paralympic teams are aware of the facilities available in Wales. The benefits Wales can enjoy from hosting foreign teams are economic, sporting and cultural, and could establish Wales as European base camp for the many competitions based in Europe. It is important that a co-ordinated and planned approach is agreed between local authorities and the Welsh Assembly Government so that the number of training camps in Wales is properly managed. Care must be taken to ensure that UK athletes are not disadvantaged and are still able to use the facilities. We also see a role for MPs and AMs to join with the Secretary of State and First Minister to promote such engagement and would be pleased to explore with all parties how the Committee can most usefully be involved. (Paragraph 31)

The Government accepts this recommendation. It is important that we take this opportunity, and maximise the number of teams coming to Wales for their pre-Games training. Wales Office ministers have visited a number of potential sites for pre-Games training camps, and have been impressed by their quality, and the commitment of those who run them. Wales is uniquely placed to provide facilities for a wide number of sports. The Australian and New Zealand Paralympic teams have already selected Wales as the site of their pre-Games training camps, and the Government hopes that many more teams will follow their lead.

The Committee is also right to point out that we must be careful to ensure that UK athletes are not disadvantaged by the arrival of teams from other countries. The Government will work with other key stakeholders, including the Welsh Assembly Government, to try to ensure that the UK athletes at London 2012 Games are also able to use the world-class facilities found in Wales.

The Government agrees that MPs, AMs, and the Committee should be involved in maximising the benefits of the Games to Wales.

Funding

6. We are concerned by the amount of lottery money being diverted away from Wales due to the Olympics, and the resulting funds that we will be lost in matched funding. This will have a long-term impact on grassroots sporting projects. (Paragraph 49).

7. The designation of the Olympics as a UK-wide project means that Wales will not receive consequential funding for the money spent on regeneration in London. On the other hand it must be remembered that most parts of Wales have benefited from similar designation in the past, receiving money outside the Welsh Block and the Barnett Formula for specific projects. The regeneration of South Cardiff associated with the construction of the Cardiff Bay Barrage is a case in point as is the UK contribution to Objective 1 in Wales. We ask for a clear commitment by the Government that, following the Olympics and Paralympics, a share of the reimbursed money will be returned to Wales, the rest of the UK and the English regions and that Lottery funding will be restored to their previous levels. (Paragraph 50)

Parliament agreed the transfer of £1.085 billion from the non-Olympic Lottery good causes to the London 2012 Olympic and Paralympic Games between 2009 and 2012, including £65 million which we estimate is in respect of Wales. This is a vital part of the Olympic package. We were always clear that the Lottery would be contributing to the Games but, in the event, we were able to reduce the level of its contribution. Under the earlier proposals, the Lottery was meeting 44% of the budget but under the agreed package it is only 23%.

Even after the transfers, Wales can still expect to receive, on current projections, over £320 million of new Lottery funding over the five year period of the Olympic transfers (2008/09 and 2012/13) not including any benefits from UK Sport Lottery funding. After 2012, all of the Lottery good causes income will revert to the non-Olympic causes and they will also benefit from development value realised from the Olympic site. We have made clear there will be no further diversion from Lottery good causes to fund the Olympics.

Facilities

8. We suggest that the Secretary of State for Wales, in conjunction with the First Minister, presses the Department of Culture, Media and Sport to give to Wales a 50m by 8 lane pool once the Olympic and Paralympic Games have finished, thereby increasing the sporting facilities in Wales. (Paragraph 56)

Work continues with the Department for Culture, Media and Sport, Sport England, the Olympic Delivery Authority (ODA) and LOCOG on the relocation of Games assets around the country post Games. There cannot at this stage be any absolute certainty as to what assets will be available for relocation, however they are likely to include swimming pools, sports surfaces, specialist lighting, ancillary plant, and seating. It is important to relocate as many temporary assets as possible to ensure a tangible physical legacy is shared equitably around the UK. It remains Government policy to ensure that, where possible, assets and venues that have no permanent legacy use in the Olympic Park are relocated and reused elsewhere in the UK. This includes the 10m shooting range and any wall cladding/roofing membrane (envelopes) from Water Polo and Pool training that can be made relocatable (to be confirmed). In addition no decisions have yet been made on the relocation for the temporary swimming pools that will be used for training purposes during 2012, however we would encourage anyone interested in obtaining such assets to get in contact with the Government Olympic Executive or Sport England.

It was made clear on the Sport England website during its market testing exercise that any organisation hoping to obtain Games assets would need to consider the costs of physical relocation, re-erection,

commissioning, standard insurance, maintenance, operating costs and potential legal costs of preparing the transfer agreements and other legal documents. It has also been made clear that it will not be possible for either the ODA or Sport England to fund these costs and it will be highly unlikely that there will be funding from central government funds. Potential bidders will be required at a later date to demonstrate that they are able to commission and use any assets; expressions of interest have been received from many organisations interested in sporting and ancillary assets after the Games. Expressions of interest in any games assets should be sent to Emma Bernstein at Sport England emma.bernstein@sportengland.org.

Criminal Records Bureau

12. Coaches and volunteers are vital to grassroots sports and elite sports. However, the need for multiple Criminal Records Bureau checks for each coaching or volunteer position, can create a barrier for those wishing to volunteer, and an unnecessary burden for existing volunteers. A portable passport would mean that only one check was required, thereby streamlining the system and reducing the strain of repeated police checks. We urge the Government to streamline the system for Criminal Records Bureau checks. (Paragraph 64)

The Government is planning to introduce a new Vetting and Barring Scheme (VBS), involving the Independent Safeguarding Authority (ISA), which will have a major impact on the recruitment and monitoring practices of people working or volunteering with children and vulnerable adults. Consequently, current sports coaches or volunteers who work with vulnerable groups will need to join the new scheme. However, unlike the current Criminal Records Bureau process coaches or volunteers will not have to get periodic rechecks because the continuous monitoring nature of the system ensures that those who pose a risk to vulnerable groups are proactively identified so they can be removed from the workforce. The new scheme will be introduced, in a phased process, from October 2009.

Games Volunteering

13. The Olympics and Paralympics are an opportunity to increase the recruitment and retention of volunteers. We commend the Personal Best programme that is currently running in London and encourage the Department of Culture, Media and Sport and the Welsh Assembly Government to explore the advantages of such a programme in Wales. We also urge the sporting bodies in Wales to seize the opportunity to recruit volunteers to help the 2012 Games as part of a planned strategy to engage their energies at home in Wales after the Games have ended. (Paragraph 68)

The Government remains committed to exploring the advantages of the Personal Best programme with the Welsh Assembly Government.

Measuring Performance of Athletes

14. We congratulate the Welsh Olympians and Paralympians on their inspiring achievements at the Beijing Games, and recognise that their achievements made Wales the most successful of the UK nations in terms of medals won per head of population. (Paragraph 69)

The Government would like to echo the Committee's comments. The success of Welsh Olympians and Paralympians was truly an inspiration and the result of many years of dedication and commitment. These athletes are true ambassadors for sport and role models for aspiring young athletes in Wales and the rest of the UK.

Funding

15. We welcome the agreement between UK Sports and the Sports Council for Wales to ensure adequate funding for elite athletes based in Wales. (Paragraph 78)

The Government welcomes this positive approach.

17. The Academy structure ensures that talent is recognised and supported, enabling athletes to perform at the highest levels. Athletes receive a first class support system which includes sports science and sports medicine facilities, and ensures that athletes are identified and nurtured. The rest of the UK can learn from Wales's community programme and its academy structure. (Paragraph 95)

The Government notes the positive work being undertaken through the Academy structure and would encourage the Federation of Disability Sport Wales to actively share their work with similar Federations in the rest of the United Kingdom.

18. It is important that the UK learns from the successful model of the Beijing Olympics, and that the Paralympics are marketed on the same level as the Olympics for London 2012. The London Games provide an opportunity to increase interest in disability sports and to build on what has already been achieved. (Paragraph 96)

We agree. The London 2012 Games is the first time that planning for an Olympic and Paralympic Games has been fully integrated and considered from the outset and with equal levels of importance.

London 2012 will strive to create a festival of sport, culture and diversity to inspire a new era in public attitudes towards disability and a new profile for sport for athletes with a disability. The Olympic Games, and the Paralympic Games in particular, provide a golden opportunity to change media and public perceptions towards disability and we hope this will bring about an opportunity to change lives for the better. Government is fully committed to taking this work forward. We will work with the Office for Disability Issues, with other key Government Departments and the Olympic Family to set out how we will maximise the opportunity for people with disabilities from hosting the London 2012 Games.

Contracts

20. The Games offer the opportunity of £6 billion in procurement contracts and the creation of around 75,000 supply chain opportunities. We welcome the significant supply chain contracts that have already been awarded to Welsh businesses. We urge the private sector in Wales to seize these opportunities especially at a time of recession. (Paragraph 115)

21. We are disappointed with the low number of businesses in Wales that have registered on the CompeteFor website so far. In particular we are concerned by the low number of contracts that have been directly awarded to Welsh companies. We recognise the efforts the Government has taken to publicise the business network and to provide support to companies wishing to apply for contracts. This requires urgent action by the Welsh Assembly Government and by business organisations in Wales. (Paragraph 119)

22. Due to the lack of a supply chain database, it is almost impossible to ascertain the benefits of the Olympics to businesses in Wales below Tier One, and this creates confusion regarding the value of the Games to Welsh businesses. We urge the Olympic Delivery Authority to conduct research to assess the values of contracts in the supply chain to demonstrate the scale of benefits to businesses in Wales. We look forward to regular updates over the coming three years on the level and nature of contracts awarded to Welsh businesses. We urge the Secretary of State for Wales to take a personal interest in these issues and in practical actions to keep Welsh businesses to the fore. (Paragraph 120)

Firstly, to clarify paragraph 113 of the Committee report:

‘The Minister told us that several Welsh companies had been awarded contracts through the Olympic Delivery Authority’s supply chain, which were worth “tens of thousands of pounds rather than millions”.

The Minister for the Olympics was in fact referring to value of contracts directly awarded by the Olympic Delivery Authority to Welsh businesses and not supply chain contracts.¹

As indicated by the Minister during her oral evidence, the ODA is currently conducting research in its supply chains for each nation and region with initial results due later this summer for the stadium. We will ensure that the Committee receive details of the names of Welsh companies identified through the ODA’s research once this information becomes available and will provide further updates over the next three years.

The Government welcomes the Committee’s acknowledgement of the work being done by the Olympic family to publicise the London 2012 Business Network and to provide support to companies wishing to apply for contracts. The Secretary of State for Wales has been involved in discussions with many parties, including the Welsh Assembly Government, on issues surrounding how businesses in Wales can derive most benefit from the London 2012 Games, and will continue to take a personal interest in these matters.

¹ Please refer to evidence given to Question 61.

Torch Relay

23. We strongly recommend that the route of the Torch Relay includes the Urdd National Eisteddfod, to be held in North Wales in 2012. (Paragraph 127)

LOCOG is responsible for delivering the Torch Relays in 2012. The relays will be an opportunity for communities across the UK to get involved in the Games.

In April 2009, LOCOG appointed a producer for the Torch Relays to co-ordinate the project. In 2010 LOCOG will begin planning the potential Torch Relay routes with 2012 stakeholders in Wales and in each Nation and Region.

With almost three years to go, it is too soon to say what the routes will be. The Torch Relays will present an opportunity to highlight some of the great cultural activities in Wales and across the UK as well as locations of sporting and historical significance and areas of natural beauty.

Welsh Language

24. The Government has consistently stated that the London Olympics will represent the nations and regions of the United Kingdom. We welcome the opportunities the Government has taken to promote the Welsh language and in using Welsh in their campaigning activity. We encourage the London Organising Committee of the Olympic and Paralympic Games to develop a Welsh Language Plan and to ensure that educational resources, such as Get Set, are available in a Welsh version as soon as possible. It is important to engage all sections of Welsh society including the Welsh speaking population with the Olympics and Paralympics and its ideals. (Paragraph 131)

The Government fully recognises the importance of engaging all sections of Welsh society including the Welsh speaking population with the London 2012 Games and its ideals. LOCOG proudly launched its online education resource 'Get Set' or Bydd Barod in Welsh in Cardiff on 3rd April 2009 together with John Griffiths AM, Deputy Minister for Skills. This can be accessed via the cymraeg toggle at the top of the Get Set English web pages:

<http://getset.london2012.com/cy/hafan>

Approximately 90% of the site has been translated into Welsh with the exception of the interactive games. This approach has been agreed with the Welsh Language Board. LOCOG also continue to translate new resources and all promotional mailings in Welsh.

There is also a fully developed Welsh Language section of the main London 2012 website which can be found at the following address:

www.london2012.com/about/the-people-delivering-the-games/the-nations-and-regions-group/cymru.php.

Additionally, LOCOG has launched a Welsh version of the Inspire Mark, the first ever non-commercial brand for a Games. The Mark is for use by cultural and community stakeholders for projects genuinely inspired by London 2012 and has already been awarded to five projects in Wales:

- Criw Cymru
- Travelling Harpists
- All the World One Smile
- World Youth Skills Challenge
- Midsummer Sonnets Festival

The Government supports this work and is committed to link the Welsh language with sport, culture and education.

Conclusion

26. Wales will be disadvantaged due to the diversion of lottery money. The Government has continuously stated that the 2012 Games will be a UK Games with UK benefits, and has therefore refused to provide a Barnett consequential. On the other hand it must be remembered that most parts of Wales have benefited from similar designation in the past, receiving money outside the Welsh Block and the Barnett Formula for specific projects. However it is clear that the 2012 Games will benefit London and will regenerate east London. After 2012 the Government must ensure that a share of the money spent on the Olympics and Paralympics is returned to Wales and the rest of the United Kingdom and that Lottery funding will be restored to their previous levels. (Paragraph 133)

Please see comments in response to Recommendations 6 and 7.

27. The lack of events in Wales will have an effect on economic benefits gained through tourists to the Games. Witnesses have commented that the Ryder Cup 2010 will be of greater significance to Wales and will provide an opportunity to raise the worldwide profile of Wales and also as a platform for promoting visits to Wales at the time of the 2012 Games. The existence of world class facilities in Wales does however provide the opportunity for Wales to market itself as a pre-Games training venue. This could be not only for the 2012 Games but also as a long-term European base for many foreign teams. (Paragraph 134)

The London 2012 Games is an opportunity to showcase London and the wider UK, including Wales. Whilst the majority of events are being held in London, London is a gateway to the rest of the country so the tourism impacts of the Games will be far-reaching. The Oxford Economics Study 'The Value of the London 2012 Games and Paralympic Games to UK Tourism', published in September 2007 and commissioned by VisitBritain and Visit London, estimates that there will be approximately 900,000 attendees for events related to the London 2012 Games. However, this will contribute only a small part of the overall tourism gains for the UK as a whole that will result from the Games in the period 2007-2017, which are estimated to be in excess of £2 billion. The Oxford Economics study has also identified that there will be over 32 million UK-wide extra nights stayed by visitors as a result of the Games. The challenge for Wales is to capture this lucrative market.

Furthermore, as the Committee has commented the existence of world class facilities in Wales provide the opportunity for Wales to market itself as a host for pre-Games training camps not only for the London 2012 Games but beyond.

28. Disability Sports is Wales's great strength. It has a recognised structure at grassroots level all the way through to the elite level and other UK nations can learn from its success. The 2012 Games provide a unique opportunity to promote Paralympic and disability sports in Wales, with the legacy of changing social perceptions of disabilities and providing greater choice for disabled people in when and where they can take part in sporting activities. (Paragraph 135)

The Government fully supports the Committee's comments and congratulates Wales' progress in this area, which provides an inspirational model on which to build.

The Government agrees that the London 2012 Games provide a unique opportunity to promote Paralympic and disability sport and to challenge and change negative perceptions of disability which currently exist today.



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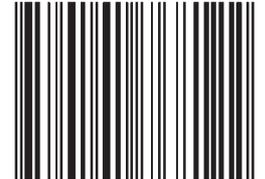
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