



# on target

Children's design displayed along Hackney Wick towpath hoardings.



20

2012 the Olympic games in stratford

12

There are many opportunities in your communities.

All nation's flags All in London

Everyone's a winner.



Ordered by the House of Commons to be printed 21 July 2008

Presented to Parliament pursuant to the London Olympic Games and  
Paralympic Games Act 2006, Schedule 1, paragraphs 24 and 32

HC 645

London: The Stationery Office  
£18.55

**© 2008 Olympic Delivery Authority**

The official emblem of the London Organising Committee of the Olympic Games and Paralympic Games is © 2007 The London Organising Committee of the Olympic Games and Paralympic Games Limited (LOCOG). That emblem, the official London 2012 font and related copyright materials are used in this document with LOCOG's permission. If you wish to re-use material owned or controlled by LOCOG, you will need to obtain permission from LOCOG. All rights reserved.

The emblems of the National Lottery, the London Development Agency, the Department for Culture, Media and Sport and the Greater London Authority are reproduced with the permission of the Crown and the other copyright holders respectively. All rights reserved.

ISBN 9780102956498

# Contents

Chairman's foreword	4
Chief Executive's report	5
Financial Review	6
ODA Board	10
Who we are and what we do	14
Milestones to Beijing	16
<hr/>	
<b>Review</b>	
Demolish, Dig, Design – preparing the site	20
Designing the venues – preparing to build	30
Procurement	36
Town planning	38
Design and accessibility	39
Equality and Inclusion	41
Sustainability	42
Health and Safety	44
Legacy	45
Employment and skills	46
Community relations	48
Security	49
People – the team	50
<hr/>	
<b>Accounts</b>	
Accounting Officer's Report	56
Remuneration Report	63
Statement of Accounting Officer's Responsibilities	66
Statement of Internal Control	67
Review of Effectiveness	68
Audit Report and Opinion	70
Accounts	72
Notes to the Accounts	76
Accounts Direction	86
Schedule 1 – Additional disclosure requirements	87
<hr/>	



## Chairman's foreword

---

As we look forward to the spectacle of the 2008 Games in Beijing this summer, we can also look back on a year of significant achievement in our own preparations for London 2012.

---

The Olympic Park has literally been transformed over the past year with scores of buildings across the site demolished, the landscape changed, the land cleaned up and construction work now under way. It was most encouraging that the Coordination Commission of the International Olympic Committee said in May that progress on the Park has been 'astounding'.

Great progress has also been made in other areas of the project, with first-class designs locked-in for key venues, our transport plans for 2012 mapped out, and world-class contractors secured as our partners for 'the Big Build'.

It is very encouraging that we are exactly where we planned to be at this stage of the project – three years in from winning the bid and four years to go to the London 2012 Olympic and Paralympic Games.

The progress we have made over the last year is a testament to the hard work of our staff and the strong relationships we have with partners across the project who have all helped to deliver with us – our Delivery Partner, contractors, the London Organising Committee of the Olympic and Paralympic Games (LOCOG), the Greater London Authority, the London Development Agency (LDA), central and local Government, and many more organisations.

We are firmly on-track to deliver but as we have said many times before, there is no room for complacency. This is a unique project within an immovable deadline and it is essential we maintain the momentum created so far. We have set out challenging milestones for the next 12 months and will continue to bear down on costs as we strive to meet them.

I would like to take this opportunity to thank my Board colleagues for their support, particularly Deputy Chair Sir Roy McNulty who acted as Chair for ten months prior to my appointment. Also I would like to thank David Higgins and his team at the ODA who have worked extremely hard and professionally to deliver a very successful year. I firmly believe that the strong foundations we have created mean we can face the many challenges that lie ahead with confidence.

A handwritten signature in black ink, appearing to read "John Armit". The signature is written in a cursive style.

John Armit  
ODA Chairman



## Chief Executive's report

---

This has been a year of challenge and a year of achievement.

---

The Olympic Park is now a busy construction site and is a workplace for over 2,500 people. This team, supported by colleagues off-site, has worked hard to prepare the platform for the Park's new venues and infrastructure. Over 190 buildings have been demolished and thousands of tonnes of soil cleaned and re-used around the site, in what must be the fastest and biggest clean-up ever seen in this country.

Construction work on the Olympic Stadium has started three months ahead of schedule. The two 6km-long tunnels that will carry the Park's power underground have been completed on time and on budget. Work is also under way on other venues in the Park and outside London.

We are creating the stage for the London 2012 Olympic and Paralympic Games. But this project is about much more than that. It is about significant investment in the future of the community who will live, work and play in the area post 2012.

We are already starting to see some of these regeneration benefits. Ten per cent of the Park's workforce were previously unemployed and businesses up and down the country are winning contracts. We also want to make sure we are as representative as possible of the diverse community that the Park lies within.

The first edition of the 'Transport Plan' highlighted how our enhancements would turn east London into one of the best-connected areas of the capital. Schemes are now well underway with many due for completion before 2012.

Health and safety must be our number one priority and I am pleased that we have established a first-class safety culture on the project with an accident record to match. At the same time, we are making sure that we protect the environment and deliver against challenging sustainability targets as we reclaim over 90 per cent of material on site for re-use or recycling.

The needs of the community and good community relations are important to us. We have continued to engage with the local community on different areas of the project – from teaching local children about health and safety near construction sites to holding design competitions for students.

There will always be financial challenges on a multi-billion pound programme of this complexity and we are directly impacted by the credit crunch and the deteriorating property market. We will continue to exert the tightest possible financial control while striving for maximum value from the investment in the project.

We can only deliver by working together. We are fortunate to have great partners on this project from LOCOG, our Delivery Partner CLM and our contractors through to all levels of government. This is a unique project and their ability to work with us to make quick decisions has been instrumental in the ODA hitting virtually all its milestones to date.

We are also grateful to all our funders for their support – the National Lottery, the Department for Culture, Media and Sport, the Greater London Authority and the London Development Agency.

The challenge now is to take our performance to the next level as construction intensifies across the project and the spotlight falls on London after the Beijing Games. We are ready for it.

A handwritten signature in black ink, appearing to read 'David Higgins', followed by a horizontal line.

David Higgins  
ODA Chief Executive

## Financial Review

### Funding

On 15 March 2007 the Minister for the Olympic and Paralympic Games (Olympics Minister) announced a revised funding package for the London 2012 Olympic and Paralympic Games (the Games) to Parliament of £9,325 million. This funding package includes funding for expenditure outside the remit of the Olympic Delivery Authority (ODA). The maximum funding available to the ODA is £8,099 million.

### Aligning scope and saving cost

During the financial year the ODA has continued to determine more detailed plans for each project, identify savings and align the scope, schedule and risks of the building programme within the funding package. In particular a revised master plan for the Games has moved events to permanent existing venues such as the ExCeL Centre, allowing better use of the space on the Olympic Park, reducing cost and producing a better legacy.

The Programme Baseline Budget resulting from this approach has been approved collectively by the various funders.

### The Baseline Budget

The approved Baseline Budget for the ODA, including the programme contingency, is £7,095 million and this is the amount against which costs will be monitored and managed for the life of the programme. This budget comprises £6,090 million for the delivery of the individual projects that make up the ODA programme and £1,005 million of programme contingency.

### Project contingency

The ODA Programme comprises over 50 individual projects or programmes, for which business cases must be approved by the Olympics Minister before costs can be committed. Budgets at a project level have been set based on the latest cost estimates for the delivery of each project. This includes provisions for risks that exist as if the projects were being carried out in isolation, for example design and contracting uncertainties. Clear financial accountability for the delivery of projects to time and budget is cascaded through the Chief Executive to the executives responsible for individual projects. The use of project contingency is managed via an overall change management process and is subject to the approval of the ODA Director of Finance.

Funder	Total £m
Central Government	5,975
National Lottery	2,175
Greater London Authority	925
London Development Agency	250
<b>Total Public Sector Funding Provision</b>	<b>9,325</b>
Less Elite Sport and Paralympics	(388)
Less Wider Security	(838)
<b>Maximum funding potentially available for ODA</b>	<b>8,099</b>

### Programme contingency

The programme contingency is based on an analysis of the risks that cannot be managed through individual projects and arise from the management of a complex integrated programme of projects to an immovable deadline. Using standard cost modelling techniques our assessment is that there is an 80 per cent probability that the programme of 50 individual projects can be delivered within the £7,095 million budget. The risks include the interdependency of projects on the Olympic Park, the impact of exchange rate fluctuations, unexpected ground conditions and the availability of materials. Programme contingency could be used where spending early on one project to avoid the risk of delays could help to avoid delays and therefore increased costs on other inter-dependent activities. The release of the £968 million programme contingency is subject to approval by the Olympics Minister.

Programme contingency of £968 million was agreed by the Funders Group (the Chancellor of the Exchequer, the Olympics Minister, the Secretaries of State for Transport and for Communities and Local Government, and the Chief Secretary to the Treasury).

### Funders contingency

The maximum funding available to the ODA is £8,099 million, the balance of £1,004 million over the £7,095 million Baseline Budget is held within Government, under the control of the Funders Group, to cover unforeseen risk to the overall delivery of the Games.

Work to manage cost and time pressures is continuing and as we enter the big build phase the potential for significant scope change has passed. The ODA is focusing on efficient and effective contract management together with incentivised and competitive procurement gains throughout the supply chain to keep costs within budget.

The approval of the Baseline Budget creates a clear position against which the ODA can monitor and control the cost of its programme of delivery of the venues and infrastructure for the Games and against which it can be judged. The ODA will exercise financial control through clear accountability at a project level and the tight control of change and contingency usage.

	Base Cost £m	Tax £m	Total £m
Site preparation and infrastructure	1,653	289	1,942
Venues	996	175	1,171
Transport	839	58	897
Other Parkwide projects	738	130	868
IBC/MPC and Olympic Village	491	1	492
Programme delivery	580	67	647
Taxation and interest	0	73	73
Total Project Budget	5,297	793	6,090
ODA Programme contingency			968
Additional landscaping costs subject to release of Funders Group contingency			37
<b>ODA Baseline Budget</b>			<b>7,095</b>
Funders Group contingency			1,004
<b>Maximum funding potentially available for ODA</b>			<b>8,099</b>



### Progress to date

Progress for the ODA Programme includes the activities of both the ODA and the Interim Olympic Delivery Authority.

Of the total funding available to the ODA Programme £740 million of funds have been drawn down to 31 March 2008 of which £472 million was drawn down in this financial year.

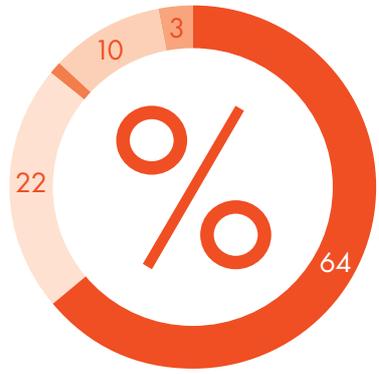
To 31 March 2008 £858 million of work has been undertaken in total on preparing the Olympic Park for construction and designing venues for the Olympic Park and around the country.

Of this amount £563 million was spent in this financial year, £109 million on venues and other fixed assets and £454 million on programme management and works which although not of a capital nature for the ODA will improve and regenerate east London. No programme contingency has been allocated to date.

Work done to date is below that originally anticipated by £108 million. This reflects a number of planned changes in schedule to allow for identification of cost savings through value engineering and changes in timetable for the conclusion of contractual negotiation for the Olympic Village combined with cost savings realised on initial site works.

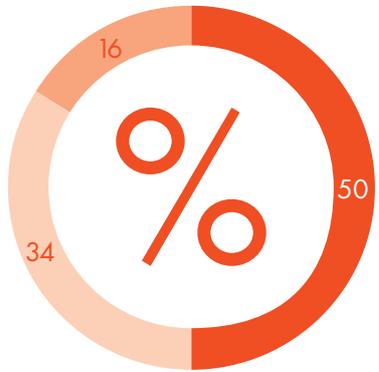
	Budget to March 2008 £m	Actual to March 2008 £m
Site preparation and infrastructure	485	444
Venues	93	69
Transport	57	48
Other parkwide projects	111	95
Media Centre and Olympic Village	52	26
Programme delivery	169	178
Taxation and Interest	(1)	(2)
Total project spend to March	966	858





**Total funding split £8,099m**

- 64% Government
- 22% Olympic Lottery
- 1% Sport England
- 10% GLA
- 3% LDA



**Total funding to date £740m**

- 50% Government
- 34% Olympic Lottery
- 16% GLA



**Total expenditure to date £858m**

- 51% Site preparation
- 8% Total Venues
- 6% Transport
- 14% Village; IBC/MPC and other sitewide projects
- 21% Programme delivery/ Corporation Tax



**John Armitt CBE FREng FICE**

John took up the post of Chairman of the Olympic Delivery Authority on 1 September 2007. He was previously Chief Executive of Network Rail from October 2002 and Chief Executive of Railtrack plc from December 2001. He joined John Laing in 1966 as a graduate civil engineer. During the next 27 years he worked on major construction projects in the UK and overseas, spending the last seven as Chairman of Laings International and Civil Engineering Divisions. From 1993 to 1997 he was Chief Executive of Union Railways, the company responsible for development of the high speed Channel Tunnel Rail Link. In 1997 he became Chief Executive of Costain, a position he held until 2001 when he joined Railtrack just after it had been put into Administration. John is also Chairman of the Engineering and Physical Sciences Research Council and is a Non-Executive Director of the Berkeley Group. He is a Fellow of the Royal Academy of Engineering Institute, the City and Guilds Institute, and the Institution of Civil Engineers.



**Sir Roy McNulty CBE**

Sir Roy McNulty CBE is Deputy Chairman of the Olympic Delivery Authority. He has been Chairman of the Civil Aviation Authority since 2001. Previously, he was Chairman of National Air Traffic Services (NATS) from 1999 to 2001, and, prior to that, he was Chief Executive and, latterly, Chairman of Shorts Brothers plc, the Belfast-based aerospace company. Sir Roy has also been President of the Society of British Aerospace Companies (1993–1994), and Chairman of the Department of Trade and Industry Aviation Committee (1995–1998). He is also a Non-Executive Director of Norbrook Laboratories Ltd, and Chairman of Ilex (the urban regeneration company for Londonderry).



**Lorraine Baldry**

Lorraine is Chairman of the London Thames Gateway Development Corporation, and, before that, was Chief Executive of Chesterton International plc. She was also a Senior Advisor at Morgan Stanley, Investment Banking Division. Lorraine is Chairman of Inventa Partners Ltd, Chairman of Tri-Air Developments Ltd, and Chairman of Central London Partnership. She is also a Governor of the University of the Arts London. She has over 30 years experience in a wide range of industries, including Financial Services, IT and Property, and has held senior executive positions in some of the UK's leading companies in these sectors.



**Tony Ball**

Tony is Chairman of the Advisory Board of Kabel Deutschland GmbH, Europe's largest cable operator. He is a director of ONO SA (Spain), and of Canal Digitaal Satelliet (Netherlands), he is also a trustee of the Media Trust. He served as Chief Executive of BSkyB from 1999 to 2003, prior to which he spent a number of years working in the USA where he was Chief Executive of FOX/LIBERTY Networks. He also served as President of Fox Sports International where he oversaw the creation and the operation of sports television businesses in North America, Latin America, Asia and Australia. Prior to the USA he was General Manager-Broadcasting at BSkyB and also Head of Production and Operations at Sky Sports. He spent two years heading TV Production and Operations for International Management Group, (IMG), in Europe. He was a founding director of Champion TV, the creator and provider of Britain's first sports channel, the BSB Sports Channel, the forebear of Sky Sports. He began his career at Thames Television. He is a former Non-Executive Director of BAA plc, ProSiebenSat.1 and Marks & Spencer plc.



**Sir Howard Bernstein**

Sir Howard is Chief Executive of Manchester City Council. He joined Manchester City Council in 1971 as a junior clerk, spending 27 years rising through the ranks before becoming Chief Executive in 1998. Former roles include Head of Urban Policy from 1980–86, Assistant Chief Executive from 1986–90 and Deputy Chief Executive from 1990–98. He was Secretary of the Commonwealth Games Organising Committee and was awarded a knighthood in 2003 for services to the reconstruction of Manchester and the XVII Commonwealth Games. He received an honorary fellowship from the Council of the Royal Institute of British Architects for his part in the city centre's regeneration following the terrorist bombing of 1996, and was instrumental in the construction of the Commonwealth Games Stadium, the expansion of Manchester Airport and the rebuilding of the city centre.



**Barry Camfield**

Barry was previously the Assistant General Secretary of the Transport and General Workers Union (TGWU) from 2000 to 2007. He was a member of the TUC General Council and its Executive Committee until 2007, chairing the TUC Committee of the Regions. In a trade union career spanning some 32 years, he led the TGWU in its London, South East and East Anglia Region as Regional Secretary from 1995 to 2000. He previously held Organising, Education and Industrial positions within the TGWU. Barry is a former Vice President of SERTUC, the TUC's Southern and Eastern Region Council (including London) where he chaired its Economic Committee. Barry was also a member of the South East England Development Agency (SEEDA) from 1999 to 2004, where he developed innovative regional social dialogue approaches, chairing SEEDA's Social Dialogue Forum. He served for SEEDA on the Kent and Medway local Learning and Skills Council. Today, Barry continues to work closely with the TUC, its senior National Officers, with SERTUC Regional Officers and Committees, and affiliated trade unions.



**Neale Coleman**

Neale is Senior Advisor on the Olympics for London Mayor Boris Johnson. He has led work on the Olympic and Paralympic Games in the Greater London Authority since 2000 and advised the former Mayor, Ken Livingstone, on London's bid and initial preparations. He was a Board member of the bid company, London 2012; chaired the Olympic Masterplan Reference Group which led the work programme during the bid to deliver the Olympic Masterplan and co-chaired the Olympic Delivery Group, which had responsibility for leading preparations for the Games prior to the creation of the Authority.



**Stephen Duckworth**

Stephen is Chief Executive of Disability Matters Ltd. This consultancy helps organisations profit from the potential of disabled people. He qualified as a doctor and gained a PhD in disability equality following a rugby accident that resulted in him using an electric wheelchair. Stephen is a Non-Executive Director of four small businesses established to improve the life chances of disabled people. He was a member of the Council of the University of Southampton from 1999 to 2008. Stephen has advised Ministers on the Welfare Reform; the Polish Government, on introducing anti-discrimination legislation; and more than 400 public and private sector organisations, on how to improve services for disabled customers whilst increasing the representation of disabled people in their workforce. He was awarded an OBE in 1994 in recognition of his service to disabled people.



**Christopher Garnett**

Christopher is a Director of Anglian Water Services Ltd, Aggregate Industrial Ltd, a member of the Transport for London Board, Chairman of the Future York Group and a Director of the York Central Steering Board. He was Chairman of GNER from 2004 to 2006, prior to which he was Chief Executive of GNER and Vice President of Sea Containers Limited from 1996 to 2004. Christopher was Chairman of the Association of Train Operating Companies from December 2001 to August 2003. He is also a member of the National Railway Museum Advisory Board.



**Sir Peter Mason KBE**

Sir Peter is Chairman of Thames Water. He is also the Senior Independent Non-Executive Director of BAE Systems plc (from January 2003), a Director of Acergy S.A from October 2006 and was appointed to the Treasury/DTI Asia Task Force in 2005. Previously, he was Chief Executive of AMEC plc, the international project management and services company. He was a board member of British Trade International from 2000 to 2005, and awarded a KBE in 2002 for services to international trade. Prior to joining AMEC in February 1996, Sir Peter was an Executive Director of BICC plc and Chairman and Chief Executive of Balfour Beatty Limited. He held a number of appointments in the engineering and construction industry before he joined Norwest Holst in 1980. Three years later he became Managing Director of the company's civil engineering division, and, in 1985, he was appointed Chief Executive of Norwest Holst Group PLC. He held this position until he joined BICC in 1992.



**Baroness Morgan of Huyton**

Baroness Morgan, a former London teacher and councillor, joined the House of Lords in June 2001. She was Minister of State at the Cabinet Office until November 2001, when she took up the post of Director of Government Relations at 10 Downing Street, which she held until June 2005.

In the Lords, she serves on the European Select Committee on Social and Consumer Affairs. She is a Non-Executive Director of Carphone Warehouse PLC and of Southern Cross Healthcare PLC, Advisor to the Board of the children's charity ARK and a member of the Advisory Panels of Lloyds pharmacy and Humana Europe.



**Sir Nicholas Serota**

Sir Nicholas has been Director of Tate since 1988. He was previously Director of the Whitechapel Art Gallery (1976–88) and of the Museum of Modern Art, Oxford (1973–76). He has been a member of the Visual Arts Advisory Committee of the British Council (1976–98, Chairman 1992–98), a Trustee of the Architecture Foundation (1991–99) and Commissioner on the Commission for Architecture and the Built Environment (1999–2006).



**Kumar Muthalagappan**

Kumar is Managing Director and founder of the Pearl Hotels and Restaurants Group. He is a board member of Visit Britain (since 2002) and Chairman of its Audit Committee. He was also on the board of the Heart of England Tourist Board and Belgrade Theatre (2000–2004). Kumar is a member of the Council of the University of Warwick and Deputy Chairman of the City of Birmingham Symphony Orchestra (the CBSO). Kumar is a chartered accountant, and practised in the areas of audit, tax and corporate finance with KPMG from 1983 to 1996.



**David Taylor CBE**

David is one of the country's leading exponents of urban regeneration and he has worked extensively in the public, private and voluntary sectors. He is Chairman and joint founder of Silvertown Quays Limited, a special purpose company established to create a vibrant new heart for the Royal Docks in east London, and is also Non-Executive Co-Chairman of the Thames Gateway Forum. David is former CEO of English Partnerships and adviser to a number of Government ministers. Prior to that, he had responsibility for Development at AMEC Plc. He also chairs Hull City Build and Elevate, the Housing Pathfinder in East Lancashire, and is Deputy Chairman of Preston North End Football Club.

## Who we are and what we do

### Use the power of the Games to inspire change.

The Olympic Delivery Authority's (the ODA's) mission is to 'deliver venues, facilities, infrastructure and transport for the London 2012 Olympic and Paralympic Games on time, within budget and to leave a lasting legacy'.

Together, the ODA and the London Organising Committee of the Olympic and Paralympic Games (LOCOG) make up 'London 2012'. The London 2012 vision is to use the power of the Games to inspire change. This is the vision that will define the venues that are built, the Games that are staged and the legacy of the Games.

#### The ODA has responsibility for:

- construction of all the permanent venues and other facilities in the Olympic Park;
- other facilities at Broxbourne (for Canoe/Kayak events), Eton Dorney (Rowing), Woolwich Royal Artillery Barracks (Shooting) and Weymouth and Portland (Sailing); and
- planning and delivery of both transport infrastructure and spectator services to support the Games.

The ODA has outlined the strategic phases to the project:

- Planning and set up – to April 2007
- Demolish, Dig, Design – to August 2008
- Big Build
  - Foundations – to July 2009
  - Structure – to July 2010
  - Fit out – to July 2011
- Test – 2010 to 2012
- Games – Summer 2012
- Transformation and Legacy

The ODA is publishing delivery milestones for each phase. These are underpinned by our priority themes:

- health and safety;
- design and accessibility;
- equality and inclusion;
- sustainability;
- employment and skills; and
- legacy.

Project Phases	2005	2006	2007	2008	2009	2010	2011	2012
Bid win	■							
Interim ODA	■							
ODA set-up		■						
Demolish, Dig, Design			■	■				
Big Build				■	■	■	■	■
Test events					■	■	■	■
Games								■



Tessa Jowell and John Armitt congratulate the first Plant Training Centre graduates.

## Milestones to Beijing

---

In April 2007, the ODA published 10 milestones it aims to achieve before the Beijing 2008 Games. In some cases, we have exceeded them.

---





### ***Milestone 01***

The majority of the Olympic Park will be cleared and cleaned.

### ***Milestone 02***

With the tunnels and cabling complete, the power for the Olympic Park will be set to switch underground.

### ***Milestone 03***

The main temporary roads and bridges will have been built, giving access to a safe and secure construction site for the 'big build'.

### ***Milestone 04***

The installation of new water and energy systems that will serve the Olympic Park during and after the London 2012 Games will have started.

### ***Milestone 05***

The regeneration of the waterways in the Olympic Park will have started, improving the environment and access for the 'big build'.

### ***Milestone 06***

The transport enhancements that will open up east London and support the London 2012 Games will have started, with many complete.

### ***Milestone 07***

Construction will have started on the bridge that will take people over the Aquatics Centre to the Olympic Stadium. Building work on the Stadium will be about to begin.

### ***Milestone 08***

Construction on the Olympic Village will have started.

### ***Milestone 09***

Contracts will have been let and designs agreed for permanent venues in the Olympic Park – and at venues outside London work on site will have started.

### ***Milestone 10***

The development of the Legacy Masterplan Framework for the Olympic Park will be well advanced.





## Demolish, Dig, Design – preparing the site

---

The ODA took possession of the majority of the Olympic Park site in July 2007, following successful land acquisition by the London Development Agency (LDA). The Park has since undergone a huge transformation.

---

### Remediation – cleaning the Park

Before construction on creating the largest new urban park in Europe for 150 years could start, a highly contaminated site has had to be cleaned and cleared.

What was a 2.5 square kilometre area of largely industrial wasteland has turned into a busy construction site with more than 2,000 workers.

Work to clean more than 1.3 million tonnes of soil on the Olympic Park site – enough to fill about 600 50m-long swimming pools – has picked up pace with four soil washing machines now on the Park and a fifth awaiting commissioning.

These machines have been treating about 750 tonnes of soil across the Park each day to make sure it is free from contamination, including petrol, oil, tar and heavy metals such as arsenic and lead. Virtually the whole site has now been investigated and contamination is in line with expectation.

There are now sixty scientists, technicians and other specialist staff working in a high-tech soil laboratory on site to speed up the cleaning process. The lab runs around the clock and scientists test soil for contaminants. The lab has enough analytical equipment to test up to 80 soil samples each day.

These scientists are also monitoring the water and air quality across the site to help ensure the safety of the local community and workforce and to protect the environment.

In addition to soil treatment, four hectares of the Japanese knotweed, which can crack through concrete and overpower native plants, have been treated. The Japanese knotweed had been identified in patches across the Olympic Park site along river and canal banks and also on the VeloPark and beside the Aquatics Centre.

Sustainability has been at the heart of the project. A 35-tonne recycling machine has helped to boost the clean up by separating and sorting up to 500 tonnes of industrial and domestic waste a day from the VeloPark and Olympic Village sites. This machine sorts waste into piles of glass, metal, concrete, soil and other materials to be reused on site or recycled off site.

# improve



## The clean up challenge

Site investigations have unearthed the Park's history as an industrial centre and landfill site. In October 2007, a 10cm gauge dial face painted with radium-based luminous paint was found in the north of the Olympic Park alongside other very low-level readings of radioactivity in small isolated areas.

The area is a 100-year-old waste tip and several factories and workshops nearby were known to be using radium paint between the 1930s and 1960s. Following the find, the ODA published an expert report, including airborne monitoring, that confirmed there was no risk to workers or the public. The material has been disposed of safely.

### Demolition – a new skyline

The Olympic Park was once a home for travellers, residents living on a small estate as well as a base for a number of businesses, including a salmon smoking factory and waste removal company. The London Development Authority (LDA) had to relocate the site's residents and businesses to new premises before handing the land to the ODA in July 2007 so it could start the demolition process.

By May 2008, the ODA had demolished 194 of the 222 buildings that need to be demolished across the site.

In December 2007, the ODA announced that demolition on the 'big five' venue sites had been completed on schedule. This included the two former University of East London 12-storey tower blocks that were demolished in October 2007.

The ODA is reclaiming as much demolition material as possible for re-use. Four complete buildings have been relocated off site and the cladding from a fifth will be re-assembled off site. The ODA is storing reclaimed materials, such as Belfast Trusses and York stone, and is considering how they can be incorporated into other parts of the Park.

To make the site safe for demolition, the ODA has put up about 17km of hoardings. Artwork from local children is displayed on them. Viewing windows have been installed on the Hackney Wick towpath, giving local people the chance to look in on the progress on site.

'The Commission has been greatly impressed by the quality and speed with which LOCOG and its partners have been able to progress since our last visit.

'The most visible element is obviously venue construction, and the progress made on the Olympic Park in particular is truly astounding. In all the areas of preparation, we have been able to see marked progress by the London 2012 team and this puts LOCOG on track to deliver great Games in 2012 and a great legacy beyond.'

**IOC Coordination Commission Chairman Denis Oswald**

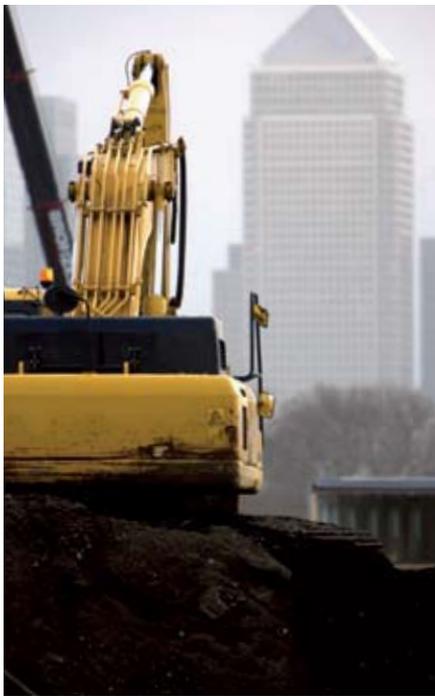


John Armitt gets creative with local school children from John F Kennedy Special School

### Local kids add colour to the Park

Local children have helped to transform a 300m stretch of hoardings along the Hackney Wick towpath into an imaginative and vibrant display of art and colour.

450 children from 17 local schools took part in the community engagement project, which the ODA ran with local creative arts group Signs of Life. The children showed their artistic talents in different ways: building models, photography, collage, creative writing and through footprint and wheelchair tracks on canvas.



### Earthworks – digging deep

As well as a centre for world-class sporting facilities, the Olympic Park will be a unique green space in an urban environment.

Huge volumes of earth are being moved around the site to prepare the platform for construction. This work will also create an undulating landscape that offers visitors scenic views within the Park and great views of London and areas outside of the Park.

The first earthworks centred on excavating the International Broadcast Centre / Main Press Centre (IBC/MPC) site, where 20,000 of the world's press and broadcast media will report on the Games action.

Around 9,000 cubic metres of soil have now been taken away from the IBC/MPC site to prepare the platform for construction. This soil will be used at other venue sites around the Park where ground levels need to be raised.

Earthworks have stepped-up across the entire site. For example, more than 800,000 tonnes of soil – enough to fill the Royal Albert Hall nine times over – were taken away from the Stadium area to other parts of the site in just three months.

A further 200,000 cubic metres of material – enough to fill Wembley Stadium – were excavated during the tunnelling for the underground power cables. The ODA's commitment to sustainability means soil is being cleaned and then re-used around the Park.



## The oldest EastEnders

The ODA has been working with archaeologists to ensure that it preserves the past of the Park.

The investigations and earthworks on site have already unearthed interesting discoveries, including four skeletons believed to be more than 3,000 years old. Other items include a Roman coin, fourth century pottery and World War II helmets.

The ODA has teamed up with the Museum of London Archaeology Service to run the 'discover' programme so it can share these finds with local people and help them learn more about the history of their area. The 'discover' programme will see a series of roadshows displaying the finds in each of the five Host Boroughs.

# 200,000

cubic metres of material excavated during the tunnelling for the underground power cables





### **Building the infrastructure to connect a new community**

Construction over the past year has focused on improving the Park's infrastructure through improved transport links and utilities networks.

In mid-2007, the ODA completed on time and on budget the boring of the two 6km-long underground tunnels that will eventually carry the Park's power. The creation of the tunnels, each up to 30m deep, marked the completion of the ODA's first construction project.

To complete this massive tunnelling project, 350 workers and four 40-tonne tunnel boring machines worked around the clock to get the job done in 424 days.

The new tunnels mean that the 52 pylons that dominate the Park's skyline can be removed late this year. Cabling has now been installed into the tunnels and power is set to switch underground later this summer.

---

**'The completion – on time and on budget – of the work on the powerlines tunnelling is a tremendous achievement. It is important not just for the creation of the Olympic Park, but also as a crucial part of our ambitious regeneration plans. It demonstrates clearly the excellent progress being made to deliver a fantastic Olympics.'**

**Olympics Minister Tessa Jowell**

---

Work has also progressed on other services, such as gas, water, electricity and phone lines, that will serve the Park during and after the Games.

Meanwhile, construction on temporary structures, such as the roads and bridges needed to move people and materials safely around the site, are taking shape. In February 2008, the fourth of five temporary bridges was lifted into place on the Park.

In addition, piling works on the Park's first permanent bridge have started. This bridge will span over the primary loop road to be constructed on site, creating an important north-south link for the Games and in legacy.

Early work is also under way on a number of other major bridges that will provide key connections around the Park. For example, abutments are in place on the bridge that will provide a link from Stratford right to the heart of the Park.

Along with the temporary structures on site to help construction, the ODA will build more than 30 permanent bridges and 20km of permanent roads to connect the local community with the Park.

## Energy/utilities – powering the Games

The ODA is putting in place the infrastructure for the Games and is making sure it can meet the needs of the new community that will live, work and play in the area after 2012. It is helping to turn one of the poorest connected into one of the best connected parts of London.

The ODA's task of creating an energy network to power the Games in 2012 and then serve the local community for years to come has progressed well. Some core infrastructure is already in place.

By September 2007, the majority of local gas supplies within the Olympic Park and 10 power substations had been disconnected.

The ODA unveiled and released for public consultation the latest designs for the Olympic Park Energy Centre in February 2008. The Energy Centre will power, heat and cool facilities across the site. Planning permission has now been granted.

The Energy Centre includes biomass boilers and a Combined Cooling, Heat and Power plant. These innovative technologies support sustainability commitment to renewable energy technology and efficient energy systems in the Park.

A primary electrical substation in the west of the Olympic Park will help form the heart of the new utilities networks for the area. The substation will distribute electricity across the Olympic Park and Stratford City site through new electrical networks consisting of more than 100km of electrical cabling.

---

**'These utility networks and infrastructure are not just for a summer of sport in 2012 but will serve the long-term regeneration of the area for many years to come and show that we are planning Games and legacy together from the very beginning.'**

**ODA Director of Infrastructure and Utilities Simon Wright**

---



The current building and Energy Centre design concept.

## Transport – making new connections

The Games will help east London become one of the best-connected areas of the capital. The ODA is contributing to some 20 rail infrastructure schemes, all designed to deliver a lasting legacy well in advance of the Games and meet the transport needs of about 10 million spectators during the Games.

In October 2007, the ODA published the first edition of the 'Transport Plan for the London 2012 Olympic and Paralympic Games' – almost five years out from the Games.

The Transport Plan followed a year of consultation on the draft plan and set out the ODA's goal of delivering a 'public transport' Games by encouraging 100 per cent of spectators to travel to the Games by public transport, walking or cycling.

In May 2008, it published the Accessible Transport Strategy, which outlined plans to ensure accessible public transport options are available for people travelling to the Games.

The ODA has made good progress on its key transport projects. These include:

## Stratford Regional Station

Work is well under way on the ODA's project to improve accessibility and capacity at Stratford Regional Station for the Games and for long after 2012.

The first set of major work to the station was successfully completed in August 2007, when a 100m stretch of platform was widened an extra 3.2m at its widest point to provide more room for passengers. Platform signals were also modified, while the track and overhead lines were re-laid and re-aligned to fit the platform's extension.

During the 2007–08 Christmas period, the ODA completed its second phase of major work to the station. Four disused buildings in and around the station were demolished to create more space for passengers and for future development.

In addition, the western subway was extended by 30m and a huge structure that will support a new Central Line platform was lifted into place.

---

**'An enhanced Stratford Regional Station will help transform east London and the Lower Lea Valley into one of the best connected areas in the capital. The completion of this work shows that four years out from the Games we are making significant progress with our transport plans.'**  
**ODA Transport Director  
Hugh Sumner**

---



## Tanni Grey-Thompson, Paralympic champion

'As a disabled person, transport can be a big issue. When I came to London in a chair for the first time at the age of nine, the only way to get around London was in a taxi. So these days I actually find travelling around London great – I use tubes and buses all the time.'

'For me a journey on the tube is still really exciting because it means that now I have choices. I'm also very confident that the Games will deliver a huge legacy in this area. I would never have dreamt how much more accessible London has become, and London 2012 can break down even more barriers.'

### **Orient Way**

The ODA has made significant progress on its project to build a new railway siding facility at Orient Way, just outside the north west boundary of the Olympic Park.

Orient Way will replace the current sidings at Thornton's Field. Thornton's Field is located in the heart of the Olympic Park and is used to stable the excess peak hour commuter trains coming from Liverpool Street. This area has to be cleared so it can unlock a key logistics site needed for the construction of the Olympic Stadium and Aquatics Centre. Five kilometres of track, much of it re-used, is being installed at Orient Way.

### **DLR**

In March 2008, the ODA and Transport for London (TfL) welcomed the delivery of the first new rail cars that will help to boost capacity on the Docklands Light Railway (DLR) network. The ODA is co-funding 22 of an additional 55 rail cars, which will help lengthen DLR trains from two to three carriages across much of the network by 2010.

In December 2007, the DLR also opened the second portion of its new upper level platform at Stratford Regional Station for services to and from Canary Wharf.

The two tunnels that run underneath the River Thames, which will allow for the 2.6km DLR extension from King George V to Woolwich Arsenal, were completed in July 2007, a month ahead of schedule.

Work is also well under way on the DLR Canning Town to Stratford International extension, which the ODA is co-funding.

Through partnership working with its transport delivery partners, including TfL, DLR and Network Rail, the ODA is on track to deliver its transport projects.



## *Building links with Stratford commuters*

In December 2007, the ODA held a series of 'drop in' sessions at Stratford Regional Station. Team members from transport and external relations handed out information leaflets and talked to commuters about the access and capacity improvements being made as part of the ODA's upgrade to the station.

Planned changes to the station were shown on large display boards. To ensure it reached a wide group of commuters, the team held morning, afternoon and weekend briefings.



## Designing the venues – preparing to build



### The 'big five' venues

#### Olympic Stadium

The Olympic Stadium will be the main stage of the Games. It will host the Athletics events and also the exciting Opening and Closing Ceremonies.

Progress on the Olympic Stadium has surged ahead and the ODA announced in May 2008 that construction on the Stadium had started three months ahead of schedule.

The Stadium site has undergone a huge transformation over the year. More than 30 buildings have been demolished and ground levels have been lowered up to 9m in some parts.

In the lead up to construction, 6,500 cubic metres of concrete will have been recycled from other parts of the site and crushed to form a solid platform to support construction works.

**'The early start to building work on the Olympic Park site is good news, taking us another step closer to 2012 and the regeneration of one of the country's most deprived areas. I have no doubt that the construction of the new permanent venues, infrastructure and transport links within the largest new urban park to be created in Europe for 150 years will be a catalyst for lasting social and economic change in east London.'**

**Prime Minister Gordon Brown  
May 2008**

**'Starting the Stadium construction three months ahead of schedule is a tremendous achievement and I congratulate those who have worked tirelessly and professionally to make this happen.'**

**Mayor of London Boris Johnson**

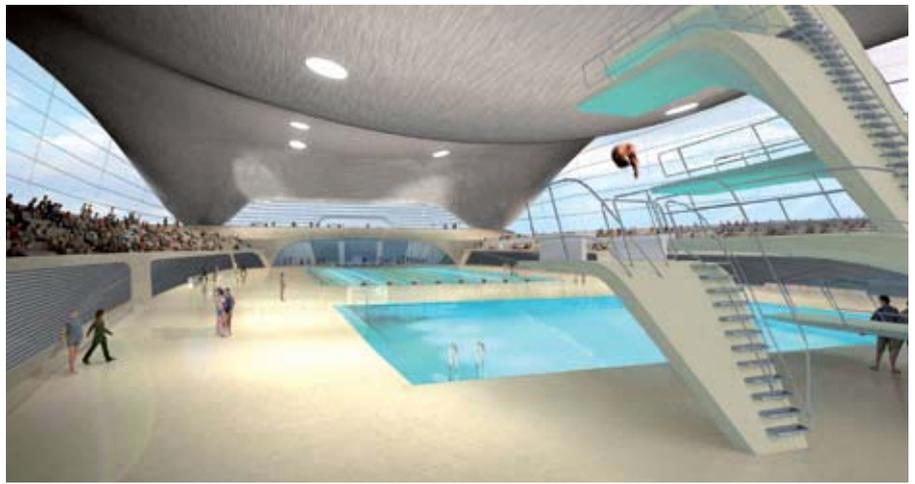
The ODA launched the Olympic Stadium design on site in November 2007. Under the strap line 'designed to be different' the ODA unveiled an innovative design with 80,000-seat capacity during the Games that will be scaled down to a 25,000-seat, more sustainable venue post 2012. The Stadium will be surrounded by waterways on an 'island' site.

The Olympic Stadium design will bring spectators close to the action. It features a compact seating bowl surrounding the field of play to give spectators excellent views and level access to facilities.

An imaginative 'wrap' is planned to enclose the perimeter of the Stadium's structure. The Stadium's cable-net design roof will provide support for essential lighting. At the same time, the design will help to create the ideal conditions needed for the athletes to perform.

# 6,500

cubic metres of concrete will be recycled to form the Olympic Stadium platform



### **Aquatics Centre**

The Aquatics Centre site is one of the most complex and challenging parts of the Olympic Park clean up.

Eleven industrial buildings have been demolished on the site and around 80,000 tonnes of soil has been dug out, much of it contaminated and requiring cleaning. More than 40,000 tonnes of soil have been cleaned and re-used on site to prepare it for construction.

As part of the regeneration of the waterways running through the Park, more than 500m of new river walls beside the Aquatics Centre have been installed. These walls will widen the river by 8m.

The Aquatics Centre, with its eye-catching sweeping roof inspired by the movement of water, will form a spectacular gateway to the Olympic Park from Stratford.

The design aims to create an accessible venue to help encourage everyone, from all different backgrounds and cultures, to enjoy the facilities and encourage swimming in the local area. A contractor to build this venue has been appointed. Planning permission was secured in mid-May and construction has started.

It will seat 17,500 spectators during the Games. This iconic structure will then convert into a 2,500-seat legacy venue, with the flexibility to increase seating capacity for major competitions. It will include two permanent 50m pools and a diving pool, to be used by elite, school and recreational swimmers.

---

**'This building has an exceptional sculptural quality that will make it a wonderful building to visit, attracting people to east London. It sets the standard for architectural quality in this key regeneration area.'**

**Lord Rogers, of the Richard Rogers Partnership, who co-chaired the Panel that chose the design**

---

---

**40,000**

tonnes of soil have been cleaned and re-used on the Aquatics Centre site



### **International Broadcast Centre/ Main Press Centre (IBC/MPC)**

The first earthworks on the Park started at the IBC/MPC site in May 2007. Since then, around 9,000 cubic metres of soil have been taken away to prepare the venue. During the Games, the IBC/MPC will be a 24-hour facility that will help bring the excitement of the Games to an estimated television audience of four billion.

After 2012, the venue will provide around 120,000 square meters of high-tech business space. The IBC/MPC buildings, which are located in the London Borough of Hackney, will offer a significant business opportunity for users, investors, developers and other organisations, as well as new employment opportunities.

*'The media centres represent one of Hackney's most transformative legacy opportunities, presenting the chance to create a regional high-tech employment hub for east London.'*

**Mayor of Hackney  
Jules Pipe**



### **VeloPark**

The VeloPark will include a 6,000-seat Velodrome, which will host track cycling, BMX, and Paralympic Track Cycling.

The ODA held a design competition for the VeloPark and the competition was judged by leading names from the world of architecture and design, as well as Olympic gold medal-winning cyclist Chris Hoy.

The ODA unveiled the designs in July 2007 and appointed a contractor to build the venue in May 2008.

A 35-tonne recycling machine is sifting and sorting through 70,000 cubic meters of industrial and domestic rubbish from the former West Ham tip under the VeloPark.

After the Games, a road cycle circuit and mountain bike course will be added to the site to create a cycling 'hub' that links into cycle routes across London.



### **Olympic Village**

The Olympic Village will accommodate up to 17,000 athletes and officials during the Olympic Games and 6,500 in the Paralympic Games. It will also contain shops, restaurants, medical, media and leisure facilities, and areas of open space.

An 'International Zone' will provide a meeting point for athletes and their family and friends. The plan retains London's tradition of building homes around communal squares and courtyards, with water features accentuating the proximity to the River Lea.

Athletes will have great views over the Park. Every apartment will provide comfortable accommodation and good communications facilities, including internet access and wireless networking. All the apartment blocks will be fully accessible and equipped with modern lifts.

Post Games, the Village will provide a mix of private and affordable housing and include an education campus for all ages, as well as healthcare and multi-use community facilities.

The same 35-tonne recycling machine used on the VeloPark site has been cleaning the foundations of the Olympic Village site.

In October 2007, the old University of East London towers, the two tallest buildings on site, were demolished. The temporary diversion on the overhead powerlines to allow construction to begin on schedule was completed in 2007.

A panel of UK and international architectural practices, appointed by the preferred developers Lend Lease, will design the Olympic Village for the Games and in legacy. Construction work has started on site. Discussions to agree the financing are continuing.

### **The Olympic Park public realm and parklands**

The ODA wants to create a 'living, breathing' Olympic Park. In March 2008, it announced the landscape architects who will develop designs for the parklands for the Games and immediately after.

Early legacy plans focus on enhancing the Park's biodiversity and ecology and creating a vibrant mix of leisure and recreational activities.

The plans also outline a network of fitness trails to encourage visitors to do more exercise. Green spaces within the parklands will complement the permanent sports venues in the Park for leisure use.

---

# 17,000

athletes and officials  
accommodated within the Village  
during the Olympic Games

---

# 6,500

athletes and officials  
accommodated within the Village  
during the Paralympic Games

## Venues outside of London

### Weymouth and Portland

Planning permission for the improvements to the marine facilities at the Weymouth and Portland National Sailing Academy (WPNSA) has been granted and construction started on the venue started in April 2008.

A new slipway, new race boat parking and mooring facilities as well as other associated facilities are being developed at the WPNSA to prepare it for the 2012 Sailing events. Work is due to be completed by the end of 2008, putting it on track to be the first venue ready for the Games.

### Broxbourne

The Broxbourne White Water Canoe Centre will host the Canoe/Kayak Slalom events at the London 2012 Olympic Games. It will include a self-contained body of water and a system of pumps to create the white water.

The original site at Spitalbrook was found to be too contaminated for development. A new site within the Borough has been identified and a planning application for it submitted.

### Eton Dorney

The ODA is making enhancements to the existing Eton Dorney venue to prepare it for the 2012 Rowing and Flatwater Canoe/Kayak and Paralympic Rowing events. Eton Dorney is a 2,200m, eight lane course with a separate return lane. It will have seats for 20,000 spectators during the Games.

In May 2008, the ODA put the contract out to tender for the enhancement works and is expected to award the contract towards the end of 2008.



Ade Adepitan teaches wheelchair skills at Open House

## Open House

In September 2007, the ODA took part in Open House and opened the doors to the Olympic Park for the public so that they could take a look at the huge progress on site.

Open House gave a chance for people to learn more about London 2012 and the work being undertaken to make sure the Games bring benefits to the local community, to London and to the whole of the UK.

Almost 2,000 people visited Open House and went on one of 40 bus trips around the site.

'All in all a great occasion for us and a wonderful example of good public relations. We three are all over seventy and certainly hope to attend yet another tour and be around in 2012,' said a community member who attended Open House.

Open House complements the ODA's ongoing site visitor programme.

### Other venues

The ODA is building other venues, many temporary, which will host a range of sports during the Games and leave legacy benefits. Plans for these venues are progressing well.

---

# 20,000

seats available to spectators at Eton Dorney during the Games

### Within the Olympic Park

#### Basketball Arena

In November 2007, the ODA announced the team chosen to design the temporary Basketball Arena. The design of the venue is currently under development with construction due to start in late 2009.

The Basketball Arena will have 12,000 seats for the Basketball preliminaries and quarter-finals, as well as Handball semi-finals and finals. It will also include 10,000 seats for Wheelchair Basketball and Wheelchair Rugby.

#### Eton Manor

Eton Manor, a site in the north of the Park, will comprise a cluster of venues and facilities. In April 2008, the ODA announced the team that will design the Eton Manor venue.

During the Games, it will also play an important role as a training venue for Gymnastics and Aquatics.

Eton Manor will include a purpose-built temporary venue with enough capacity for 10,500 spectators to watch the Wheelchair Tennis and 3,000 to enjoy the Paralympic Archery competition.

The legacy plans for Eton Manor cater for a mix of sports, including Hockey, Indoor Tennis and five-a-side Football.

#### Handball Arena

The ODA announced the team to design the Handball Arena in November 2007. In April 2008, it started its search for the contractors that will build the venue.

During the Olympic Games, the permanent Handball Arena will host preliminaries and quarter finals, as well as Modern Pentathlon disciplines. It will host Goalball during the Paralympic Games.

In legacy, the Handball Arena will become a multi-sport arena for the community and an elite training facility.

### Hockey Centre

The Hockey facilities during the Games will be temporary. The Hockey Centre's main competition pitch will have a capacity of 15,000 and the second pitch will seat 5,000.

### Outside the Olympic Park

#### Royal Artillery Barracks

The Royal Artillery Barracks is on the edge of Woolwich Common in south east London, a site with a heritage for shooting. The venue has been designated to host both Olympic and Paralympic Shooting events. There will be capacity for around 7,500 spectators to enjoy the action.

## Procurement

The ODA has made good progress procuring the huge amount of design, goods, services and works that it needs to deliver for London 2012 and beyond.

It has entered into contracts with some world-class construction and utility companies in the last 12 months.

Value and quality are central to the ODA's Procurement Policy. Tenders are also assessed against broader themes, such as safety, security, quality and functionality, sustainability, legacy and equality.

Following the Procurement Policy, the ODA published a Supplier Guide in June 2007 that offers information that can help businesses of all sizes prepare for tenders.

### London 2012 Business Network launched

The ODA's quest to find the right companies to work on this unique project was further enhanced through the online London 2012 Business Network. It was launched in January 2008 to more than 600 business people at Old Trafford in Manchester and is a joint project with LOCOG, the LDA and other Regional Development Agencies.

The network contains three key components: essential information of upcoming opportunities and how to supply London 2012; business events and the new 'CompeteFor' service.

CompeteFor is a business 'dating agency' that matches companies to thousands of opportunities supplying London 2012 contractors. The launch of CompeteFor well in advance of the bulk of London 2012 opportunities going live means UK companies of all sizes have the time to register and prepare to tender.

CompeteFor, which is co-funded by the Regional Development Agencies and the devolved administrations, will also link companies with business improvement services, boosting the long-term competitiveness of companies across the UK.

**18,000**

approximate number of companies that have registered their interest on CompeteFor

**650+**

number of businesses that have won contracts to supply the ODA

**12%**

proportion of businesses that have won contracts that are based within the five Host Boroughs

**98%**

proportion of businesses from the UK that have won contracts

**More than 70%**

amount of contracts won by small or medium sized businesses

**75,000+**

number of business opportunities expected to be awarded over the coming years

May 2008

**'The success of London 2012 will depend on the involvement of thousands of businesses of every size, up and down the country. The ODA Procurement Policy published today will ensure that firms are absolutely clear about what they need to do to supply the delivery of Games venues and infrastructure.'**  
**Olympics Minister Tessa Jowell**



London 2012 Business Network launched



## Constructing Excellence conferences

The ODA has been out and about throughout the country hosting a series of 'Constructing Excellence' conferences.

In partnership with the Department for Business, Enterprise & Regulatory Reform (BERR), the Health & Safety Executive (HSE), and Constructing Excellence, the ODA co-hosted 12 conferences across the UK.

The conferences gave the ODA a chance to speak directly to businesses about its approach to procurement and talk about current and future construction businesses opportunities.

## Town planning

The ODA submitted the planning applications for the Olympic Park and its legacy transformation to the ODA Planning Decisions Team (PDT) in February 2007. It was one of the largest applications ever submitted in the UK.

The full Olympic, Paralympic and Legacy Transformation Planning Applications are made up of two core elements. The first is the Site Preparation Planning Application, which covers early preparatory works, such as earthworks and remediation. The second is the Facilities and their Legacy Transformation Planning Application, which focuses on the core construction work and the Park's transformation after the Games.

Following the PDT's recommendations and feedback received during a series of local consultation sessions, the ODA Planning Committee approved the Planning Applications in September 2007.

The Applications outlined plans for new sporting venues, highways, bridges, river works, utilities, parks and open space, as well as for their reconfiguration for legacy use after the Games.

The ODA is now in the process of submitting detailed 'reserved matters' applications for the individual venues. To date, around 15 detailed submissions have been made.

To promote community engagement and feedback on planning submissions, including those made for the Olympic Stadium, Aquatics Centre and Energy Centre, the ODA has used a variety of consultation techniques.

The ODA has set up a young person's consultation group and held drop-in sessions and community meetings. It also organised targeted workshops with different members of the community, such as amateur athletes, spectators and multi-faith groups.



## Design and accessibility

Good design is essential for a successful venue. The ODA now has imaginative and eye-catching designs for venues across the Olympic Park – from the Stadium to the VeloPark and Aquatics Centre.

The ODA has also sought designers that are capable of creating venues that allow athletes to perform at their best. For example, it enlisted the help of Olympic Cycling gold medallist Chris Hoy to help pick the winning design for the 2012 VeloPark venue.

The ODA published its Design Strategy in June 2007. It has put in place an external review panel that will assess and monitor the quality of its designs and advise on design development. This panel includes representatives of the Commission for Architecture and the Built Environment and Design for London.

Some of the best and most talented design teams, from both small and large practices, have been secured to help create innovative and unique designs for 2012 and beyond.

'I was hugely impressed by the winning team's ideas, not only because they recognised and understood the needs of elite athletes but also because of their exciting visions for the venue and the legacy thereafter which will help inspire a new generation of cycling champions.'

**Olympic Cycling gold medallist  
Chris Hoy**



## Art students help shape design legacy

In partnership with the Royal College of Art (RCA), the ODA ran a day-long workshop with almost 50 students from the Royal College, London Metropolitan University and the University of East London.

The students focused on the 'gabion' structures designs that will be used extensively through the Olympic Park and will become a key characteristic during both Games and in legacy.

Gabions are support structures usually made from a wire mesh cage and filled with stones.

The gabions will be used instead of walls or concrete, for example in retaining river banks or as bridge abutments. Their structure means they open up a host of possibilities for incorporating a wide selection of objects and materials and can help tell the history of the Park.

'This is a great opportunity for the designers and artists of tomorrow to have an input into the design and planning for the largest new urban park in 150 years. We are hoping their creativity and inventiveness will help us create public spaces that have a fresh, contemporary feel and reflect our sustainability and ecological ambitions.'

**ODA Head of Design Jerome Frost**

The ODA is committed to hosting the most inclusive Games ever. It works closely with the Built Environment Access Panel and the Access and Inclusion Forum to ensure that venue design and transport plans achieve best practice in accessibility standards and allow everyone to experience the Games.

Inclusivity and accessibility are at the heart of designs for all venues. Venues must be accessible to all disabled people and the ODA is working with delivery partners to help ensure transport links connecting to London 2012 venues are accessible.

Improved accessibility is one of the core aims of its upgrade to Stratford Regional Station, which is the key 'gateway' to the Olympic Park. Nine new lifts will mean that every platform can be accessed by a lift.

The Olympic Stadium has been designed to maximise space in common spectator circulation points so all spectators can move around easily. Seating within the venue will include a 'companion' seat alongside wheelchair spaces.

Seating will be flexible enough to cater to the specific needs of spectators. This includes providing space for people with mobility aids, families with strollers or buggies, people with visual impairments, deaf people, wheelchair users and people with assistance dogs.



## Students design a VeloPark for the future

Students across London and the UK got creative and colourful when the ODA asked them to design a VeloPark to host Cycling events for an imaginary future Games as part of its VeloDream competition.

Finalists attended a two-day national final event in London, where they visited the Olympic Park site and took part in a design workshop where they built a 25m Velodrome from bamboo.

BMX champion Shanaze Reade helped out at the workshop and showed off some of her impressive BMX stunts. Local students from Curwen Primary School in Newham took top place in the primary school category, while students from St. Robert of Newminster from Washington in the north east won in the secondary school category.

'The best bit of our trip to the London finals was making the bamboo Velodrome, talking to people, the athletes like Shanaze Reade, and winning, that was the best bit!'

**Elara and Nafi,  
Curwen Primary School**

## Equality and Inclusion

The Games will be held in one of the most culturally diverse areas in London, where more than 200 languages are spoken. Within the five Host Boroughs, 42 per cent of people are from black, Asian, minority ethnic communities (BAME) and disabled people, for example.

The ODA wants to ensure that this rich diversity is celebrated and that local people, particularly those in the five Host Boroughs, benefit from London 2012 opportunities, such as new jobs and skills.

The ODA's five priorities for delivering equality and inclusion are:

1. Inclusive design – ensuring that the designs and plans for the venues are accessible and inclusive of a diverse range of communities.
2. Employment opportunities – making sure that local people benefit from the range of jobs available in the construction of the venues and facilities, and in particular, focusing on BAME communities, disabled people and women.
3. Business opportunities – working to increase the diversity of the range of businesses involved in delivering the venues and facilities.
4. Targeted engagement – working with local people and organisations representing all parts of the community, to ensure that they are involved in influencing the ODA's design and planning.
5. Internal capability – building the internal knowledge, skills and expertise to address equality and inclusion effectively.

The ODA has an Equality and Diversity Strategy that outlines its commitment to equality and inclusion. It has published three equality schemes on race, gender and disability.

The equality schemes are legal documents that broadly cover how the ODA will:

- promote equality of opportunity;
- eliminate discrimination;
- promote good community relations between different groups of people;
- eliminate gender segregation; and
- ensure the active participation of the community in public life and, in particular, disabled people.

It is working with local job networks to support and encourage people who have traditionally experienced discrimination and disadvantage to take up training and employment opportunities.

For example, it is working with the LDA, ConstructionSkills and local groups to secure an additional 50 placements for women in manual trades each year on the Olympic Park site.

More than 80 people from the five Host Boroughs have already received practical on site training after taking a course at the Plant Training Centre that has been set up on the Park.

Local people are making up a significant part of the Park's workforce, with more than 440 people coming from within the five Host Boroughs.



Training at the Plant Training Centre

## Sustainability

Sustainability was at the heart of London's bid for the Games and it is now at the heart of the ODA's work.

Tender companies have been asked to ensure that: as a minimum, construction materials (by value) comprise at least 20 per cent recycled content; 25 per cent of aggregate used would be recycled; and 50 per cent of materials (by weight) would be transported to site by sustainable means.

### Recycle and re-use

On the Olympic Park site, the ODA continues to beat its target of reclaiming over 90 per cent of demolition materials for re-use or recycling.

Before demolition, the ODA checked every building for materials that could be recycled or re-used. These items included office furniture left over from some of the businesses previously on site.

### Sustainable sourcing

In March 2008, the ODA announced that only sustainable timber would be used during the construction of the London 2012 venues and infrastructure. It started the search for up to 20 timber suppliers to comprise a 'Timber Supplier Panel'.

This panel will supply up to an estimated 600,000 square metres of hardwood, softwood, plywood and other products, and 40,000 metres cubed of softwood timber to the ODA's contractors and their suppliers.

---

**'A framework for the responsible sourcing of timber is unprecedented for a project of this size and scale. Working closely with the timber and construction industries it is an opportunity to break new ground in sustainable sourcing.'**  
**ODA Chief Executive  
David Higgins**

---

The search for suppliers of sustainable timber followed the ODA awarding a key contract to supply the ready-mixed concrete needed for the construction of the Olympic Park to a contractor whose bid had a strong emphasis on sustainability.

### Ecology

The ODA has also worked hard to maintain natural habitats. Almost 2,000 newts and hundreds of toads have already been relocated into specially constructed ponds and an artificial nest has been built for sand martins within the Waterworks Nature Reserve.

Fish, including pike and eels, have been relocated from the small Pudding Mill River at the Olympic Stadium site into the River Lea. Over 150 cats have been re-located off the site.

### Energy efficiency

A new community will live on the Olympic Park. There is a unique opportunity to ensure the utilities and infrastructure for this community are energy efficient and sustainable. As part of the ODA's work to achieve this, it is:

- designing buildings to use less energy;
- using lower carbon alternatives;
- building a wind turbine; and
- selecting materials that require less energy to produce them.



Log walls – built to help maintain the Park's habitats.

The ODA has also held an industry day for the contract to design and construct an Olympic Park wind turbine, which will play a key role in delivering renewable energy to the Olympic Park. The proposed 130m-high turbine will produce enough energy equivalent to supplying 1,000 homes over an average year.

Outline planning permission for the turbine was granted in September 2007 and the ODA has gone out to tender for its delivery. It is expected to be fully operational by 2010, providing new renewable energy nearly two years before the Games.

The Park's Energy Centre will bring together a range of innovative ways to produce efficient energy. The biomass technologies will create energy which will reduce carbon dioxide emissions (the main greenhouse gas). During the Games the Centre will reduce carbon emissions by 20 per cent – 5,000 tonnes per year.

Gas and a sustainable biomass fuel (woodchip) will be used to generate power, heat and cooling. The woodchip will come from local sustainable sources. Importantly, the fuels will be used more efficiently compared to conventional gas and coal-fired energy plants, lowering the environmental impact of the Energy Centre.

**'Sustainability is at the heart of our programme and runs through all we are doing – from the recycling of waste materials, the demolition programme, protecting and enhancing the ecology of the site, through to venue designs and energy source and supply.'**

**ODA Director of Design and Regeneration Alison Nimmo**

## Local children help ensure a green future

More than 40 local schoolchildren have planted seeds along the banks of the River Lea and East Marsh to create a nature reserve on the Olympic Park.

The ODA worked with Hackney Council to run the project and two classes from London Fields primary school in Hackney helped with the planting. Eventually their great efforts will produce a new wildlife corridor of grasslands and wildflowers along the north perimeter of the Olympic Park.

A host of wildlife, such as birds, frogs, spiders and beetles, and even the endangered ground bugs and the rare 'toadflax' moth, will live on the new corridor.



Local children plant seeds to create a new nature reserve on the Park.

## Health and Safety

Health and safety is the ODA's top priority. It is not only about preventing accidents, but is also about promoting health. So far, the project has an excellent record in this area but there can be no complacency. It recognises that health and safety needs to remain at the forefront in the busy times ahead.

Two million safe working hours without a reportable incident were achieved on the Olympic Park site in April 2008.

The ODA reviewed its health and safety procedures in November 2007 after a fire in a warehouse on the north of the Park. The fire was caused by 'hot working' during demolition. Site staff, emergency services and other bodies worked quickly and effectively together in response to the fire. No one was injured and there was no long-term impact on the local community.

The ODA is helping to keep workers healthy through an on-site health service. The service – called Park health – is run by a consortium of healthcare providers appointed in July 2007.

Park health provides occupational health and treatment services, such as health checks for every worker by nurses and other specially trained staff, through a new on-site medical centre.

During the transformation of the Olympic Park, the ODA has consistently monitored dust and noise levels to prevent any negative health impacts on the workforce and on local residents.

**'It is thanks to the dedication and professionalism of all the staff working on the project, that not only are we on schedule but the work is being carried out with the very highest standards of health and safety.'**

**'To achieve more than one million hours without a reportable accident is testament to the fantastic work being carried out on site.'**

**Chair of the London 2012  
Organising Committee Seb Coe**



## Don't go there!

Children from the Waterden Crescent Travellers' community attended the ODA's health and safety workshop called 'Don't Go There!' After watching a performance about trespassing on a construction site, the children created and performed their own plays.

**'The play was very exciting and interesting because you wanted to know what was going to happen next. We enjoyed making posters about the building site and learning about the dangers of the building site.'**

**Ashley, 11,  
Waterden Crescent resident**

As part of its commitment to health and safety, the ODA is rolling out an education programme across the five Host Boroughs to teach local children how to stay safe near construction sites.

## Legacy

Our plans for legacy were at the heart of London's winning bid and continue to be at the heart of all of our work and planning.

The work can broadly be split into two phases. The first, led by the ODA, is focused on the creation of the Park and the development of the venues; the second, led by the LDA, is focused on what the Park is used for after the Games – the legacy from 2012. Clearly the two are closely linked with venues and parklands being designed with their long-term use in mind.

We are making good progress cleaning a previously neglected and contaminated area and putting in place not just world class sports venues but also new utilities systems, new transport links, and new parklands that will serve the communities who will live in the area after 2012.

The LDA, who we are working closely with, are in the process of widespread consultation with the communities that surround the Olympic Park, businesses and individuals about the long-term use of the Park and venues after the Games. This process will result in an outline planning application for the Park legacy.

### **A new community**

In September 2007, plans for approximately 3,500 homes following the Olympic Village conversion into the Stratford City development were unveiled during the start of public consultation in Stratford.

This new community will be supported by: a new facilities infrastructure; new parks and open space; an education campus for all ages; healthcare and multi-use community facilities; and new transport links.

The IBC/MPC conversion will produce one million square feet of converted office space for local businesses.

### **World-class sports venues**

The venues will provide an unprecedented physical legacy.

Recreational, school and elite swimmers will use the Aquatics Centre's three permanent Olympic-standard pools, including two 50m-long pools.

In its post-Games 25,000-seat capacity, the Olympic Stadium will be used for a range of sport and community entertainment purposes.

The VeloPark, which will contain a 6,000 seat Velodrome and BMX circuit, will also include a road cycle circuit and mountain bike course to create a cycling 'hub' in legacy.



An artist's impression of the Park after the Games

## Employment and skills

---

**'London 2012 offers a unique opportunity to create jobs and skill-up local residents, the effects of which will be felt for years to come. Our investment in the skills we need to build world-class facilities and infrastructure will bring considerable benefits to London's economy.'**  
**Skills Minister David Lammy**

---

The 2012 Games open up a realm of new job opportunities for people within London and across the UK. They also offer a chance to improve local employment and skills. The ODA is committed to getting local people into these jobs to help create a positive employment and economic legacy within the five Host Boroughs.

In February 2008, the ODA published its Employment and Skills Strategy, which details how it would maximise London 2012 job opportunities and ensure job opportunities are made available to local people.

The strategy, called 'Jobs, Skills, Futures', sets out how the ODA will work with a range of public and private sector partners to help its contractors recruit the 9,000–10,000 construction workers that will be needed at peak in 2009–2010. It also outlines its plans to help people to develop sustainable skills and long term career paths after the Games.

By May 2008, more than 2,600 people were working on the preparations for the Games, with the majority based on the Olympic Park. About 270 of these workers were previously unemployed before getting a job on the Park.

Local people are making up a significant part of the Park's workforce, with more than 440 people coming from within the five Host Boroughs.

### **Plant Training Centre**

At the launch of the Employment and Skills Strategy, Olympics Minister Tessa Jowell opened the new Plant Training Centre on the Olympic Park. This centre will deliver practical training, tailored to the Olympic Park project, on equipment such as dumpers, telescopic handlers and excavators.

By the end of May 2008, more than 130 people had passed one of the training courses offered at the Plant Training Centre.

---

**'The job figures and the ODA Employment and Skills Strategy published today show that the construction of the site can be the catalyst for lasting social and economic change. With over 10 per cent of the current Olympic Park workforce previously out of work an excellent start has been made and I wish the first graduates of the plant training school every success in their future careers.'**  
**Prime Minister Gordon Brown**  
**February 2008**

---



## *Jerkins, 37, Greenwich Plant Training Centre graduate*

After working as a labourer on construction sites on a casual basis, and also having experience using concrete breaking tools on the London Underground, Jerkins wanted to boost his skills and get more permanent work.

'I spoke to Greenwich Local Labour offices to see if they could help me get into some training courses, which can be very expensive. They called me a short time later and told me I had a place on this course. I was very pleased.

'This course (forward tipping dumper truck) is good as we are learning and practising the exact skills we would be doing on a site. I'm hoping that this will give me a better chance of getting another job, as my agency said that there were some jobs coming up for people who can drive dumper trucks.'

Jerkins said that a job helping build the stage for the 2012 Games was appealing. 'It would be great to work on the Olympic Park site. I can see a lot of construction opportunities coming from this project and I want to be part of it.'

## Community relations

Support from the local community is vital to the success of this project. Across all areas of the project, the ODA has worked with the communities surrounding the Park and other venues to get their thoughts and ideas. This input is central to ensuring that the ODA's legacy plans for the Games infrastructure are aligned with what the community needs.

Unprecedented regeneration is taking place in east London – from the Olympic Park to Stratford Regional Station – and strong links with the local community is vital to its success.

Over the past year, the ODA has engaged, communicated and consulted with the community to mitigate the effects of this work and to help ensure design and infrastructure is fit for legacy. We recognise regular contact with the community on all elements of the project is an important part of being a good neighbour.

Platforms that allow the ODA to meet regularly with community groups, such as resident associations, are now in place. Members of the community who do not typically get involved in public consultation have been targeted and engaged with on venue design and other elements of the project.

A Construction Hotline that links directly to the External Relations team has been set up for people living or working near venues and has received more than 1,500 calls.

Copies of the 'your Park' newsletter, which updates local people on the Park's development, are regularly delivered to homes and businesses within a 2.5 mile radius around the Park within the Hackney, Newham, Tower Hamlets and Waltham Forest boroughs.

The ODA's educational programme has helped it to connect with young people. Children have learned how to keep safe near construction sites through role-playing workshops. The VeloDream competition saw primary and secondary students across the UK produce creative designs for a futuristic cycling venue.

Art and design University students took part in ODA workshops to create 'gabion' support structures that could be used in the Park in legacy. More than 40 young people have given their views on the Olympic Stadium design through a young person's consultation group set up by the ODA.

As the Park transforms, the ODA and the Museum of London are educating local people on the Park's past through the 'discover' programme, which will visit each of the five Host Boroughs.

Together with LOCOG and the LDA, the ODA took part in the Get Set London Roadshow events held across the capital and shared information on London 2012 business opportunities.

Outside of London, the ODA held drop-in sessions, exhibitions and a public information campaign as part of its consultation on the Broxbourne White Water Canoe Centre.

Over the coming year, the ODA will continue to focus on keeping people who live or work close to its venues informed and on managing any impacts of construction as the project steps up another gear.

The ODA is now running tours of the site for stakeholders, local people and staff nearly every day. This will give thousands of people the chance to see the progress on the site and what will be the heart of the Games action in 2012.

### Working with the community

- Over 50 community events
- Involved in over 70 business events
- Around 350 Park visits
- Hundreds of stakeholder presentations



Displays at Open House

## Security

Effective security is central to a successful Games. The ODA's aim is to ensure that consistent security arrangements are in place at all stages of preparation. The ODA's Security team is responsible for:

- securing venues and the construction sites;
- delivering key security infrastructure for the Games;
- information security; and
- business continuity and crisis management.

The 2012 Games require a complex combination of personnel, physical and information security risks to be identified and mitigated. The ODA has undertaken risk assessments and has worked extensively with stakeholders to ensure that these risks are widely understood. By early 2009, most security contracts will have been let.

The ODA is putting in place a site-wide security regime that is proportionate and phased to meet evolving threats. Site-wide access command and control regimes have been established.

The ODA is committed to delivering venues that have security at the forefront of the design, and is seeking formal accreditation to the Secured by Design standards. This will be the first time that this standard has been applied to sporting stadia. The key is to design out security vulnerabilities, reducing, as far as practical, the requirement for less cost-effective physical and operational mitigation measures.

It is working closely with the Metropolitan Police, the five Host Boroughs and others to manage crime and disorder issues arising from the project.



## People – the team

On site, the team has grown significantly. There are now more than 2,600 workers based on the Olympic Park and as the ODA moves further into the construction phase this year, this number will grow further still.

The project has intensified over the past year, and the number of staff at the ODA has risen to 311 as a combined total of permanent, agency/temporary and seconded staff.

In May 2007, the ODA announced it had appointed former Network Rail chief executive John Armitt as its Chairman. John Armitt has significant construction experience through his work on major infrastructure projects.

Acting Chairman Sir Roy McNulty resumed his role as Deputy Chairman when John Armitt took up his position in September 2007.

The ODA and the London Organising Committee of the Olympic Games and Paralympic Games (LOCOG) continue to develop their excellent relationship over the past year.

The ODA Delivery Partner and LOCOG are co-located at Canary Wharf and continue to work closely across all areas of the project, particularly in regards to preparing the venues for the Games.

Staff from CLM and the ODA have seamlessly integrated into one team in the office and on site.

## *CLM – the ODA's Delivery Partner*

As Delivery Partner, the consortium CLM continues to help the ODA meet its key milestones on time and within budget, bringing additional specialist skills on board as they are required to deliver new phases of the project.

For a project of this size, the partnership between the ODA and CLM is key. As well as using experience from its own staff, the ODA can draw on a larger skill base from the companies that make up CLM.

The Delivery Partner is working with the ODA to manage time and cost. They are responsible for ensuring the land preparation and construction processes run as smoothly as possible, addressing key issues including logistics and health and safety. The Delivery Partner's profits are earned by meeting agreed performance targets.

The CLM consortium comprises CH2M HILL, Laing O'Rourke and Mace, who have a background in delivering, including work on previous Olympic and Paralympic Games. It brings to the project a world-class track record across sport, transport, the environment, technology and the public realm, covering programme and project management, construction and regeneration.

Since its appointment in September 2006, CLM has worked hard to help the ODA achieve all of its early milestones. Together the ODA and CLM have overseen a huge procurement programme for Games construction, and cleaned and cleared the majority of the Olympic Park creating an excellent platform for the 'big build' phase.

## Site worker view point

'Having lived in east London on and off over the past 47 years, and knowing the area before the Olympic bid was awarded, the Games really mean something to me personally. I see the Games as a lifeline to 500 acres of a formerly blighted landscape.'

**Noel, Project Manager for demolition, Olympic Park**

# 2,600

workers based on the Olympic Park

As well as LOCOG and CLM, the ODA is working with many organisations to deliver a successful Games and legacy. These include:

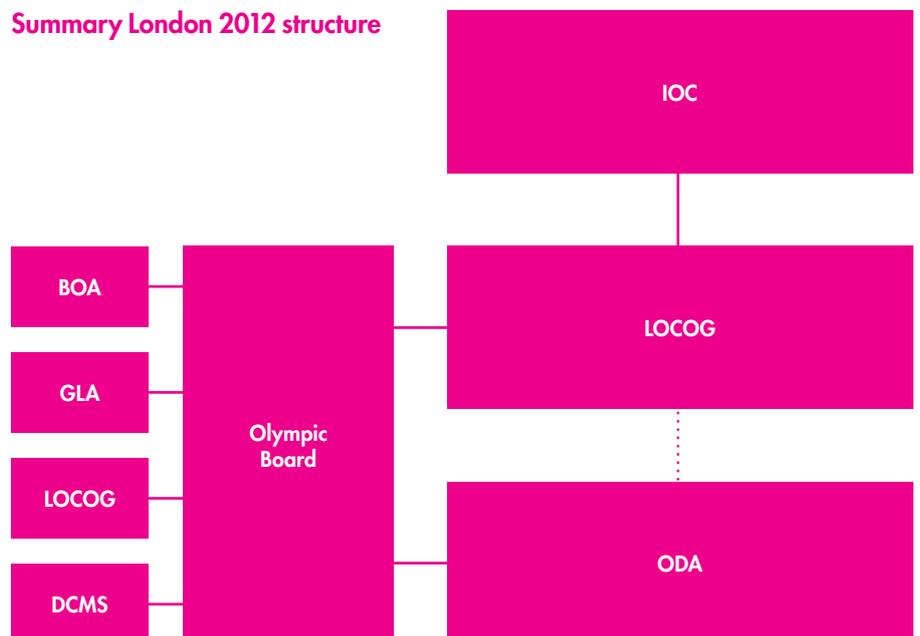
- the London Development Agency (LDA) and other Regional Development Agencies (RDAs);
- the London Thames Gateway Development Corporation;
- Olympic Lottery Distributor (OLD);
- Transport for London (TfL) and other transport authorities;
- the local authorities in the five Host Boroughs (the London Boroughs of Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest); and
- many other public agencies, as well as the companies that the ODA will contract to design, build, commission and convert venues and infrastructure.

The Olympic Board has oversight of the entire London 2012 Olympic and Paralympic Games project and is responsible for co-ordinating the work of LOCOG and the ODA, resolving and determining issues raised by members and ensuring a sustainable legacy following the Games.

The Olympic Board comprises the Olympics Minister representing the Government's interests, the Mayor of London (representing the Greater London Authority (GLA)) and the Chairs of LOCOG and the British Olympic Association (BOA). Its meetings are attended by the Chairman of the ODA.

- The Department for Culture, Media and Sport (DCMS) is the lead department on behalf of Government and supports the Olympics Minister. DCMS is responsible for co-ordinating Government support, including the establishment, funding and sponsorship of the ODA.
- The GLA was one of the bid's three central stakeholders and has committed funding to delivering the Games. The Mayor of London, together with LOCOG and the BOA, is jointly responsible for delivering the Games under the terms of the Host City Contract, agreed with the International Olympic Committee (IOC).
- The BOA is the British representative of the Olympic Movement, and is responsible for British participation in Summer and Winter Games, safeguarding Olympic values and ensuring sports elements are protected.
- The British Paralympic Association (BPA) is responsible for selecting, preparing, funding and managing Britain's competitors at the Paralympic Games, and its interests are represented on the Olympic Board by the BOA.

### Summary London 2012 structure



# London 2012 vision and values

## Vision

To use the power of the Games to inspire change

## Values:

To achieve our vision we must be **inspirational**

To do this we must be **open** and **respectful**

Only by working as a **team**

Can we **deliver** something truly **distinctive**



## Curdy, 36, Hackney Graduate from Plant Training Centre

'I took leave from my job labouring on the Olympic Park to go on the course, where I learned the hand signals used to relay crane movement to a crane driver moving heavy materials. I hope to start work as a banksman soon.'

'It would be good to keep working on something as big as the London 2012 Olympic and Paralympic Games, right near my home.'





Jonathan Edwards celebrates safety on the Olympic Park.

**ALCO**

**WINTS**

# Accounting Officer's Statements

## Accounting Officer's Report

### Statutory background

The Olympic Delivery Authority (the ODA) is a corporate body established by Section 3 of the London Olympic Games and Paralympic Games Act 2006 (the Act) on 30 March 2006. The ODA commenced business on 1 April 2006.

The ODA is an executive non-departmental public body, sponsored by the Department for Culture, Media and Sport (DCMS).

Following a transfer of Ministerial responsibilities in June 2007, responsibility for the Olympics and Paralympics under the Act was transferred from the Secretary of State for Culture, Media and Sport to the Paymaster General who is also the Minister for the Olympics and London (the Olympics Minister).

This change was formalised in:

- The Transfer of Functions (Olympics and Paralympics) Order 2007 (the 2007 Order), which came into force on 22 August 2007 and provided for the functions of the Secretary of State to be exercisable concurrently with the Paymaster General; and
- A protocol, between the Secretary of State and the Olympics Minister under which it was agreed that it is the Minister who will exercise the functions that have been transferred under the 2007 Order.

### Principal activities

Under Section 4(1) of the Act the ODA may take any action that it thinks necessary or expedient for the purpose of:

- Preparing for the London 2012 Olympics;
- Making arrangements in preparation for or in connection with the use or management, before during or after the Games, of premises and other facilities acquired, constructed or adapted in preparation for the Games; or
- Ensuring that adequate arrangements are made for the provision, management and control of facilities for transport in connection with the London 2012 Olympics.

In addition the ODA became a local planning authority on 7 September 2006 within the boundary defined in the Planning Functions Order 2006 made under the Local Government Planning and Land Act 1980. The Mayor of London has the power to direct the ODA to refuse an application for planning permission in a specified case.

### Presentation of the Accounts

The Accounts for the year to 31 March 2008 have been prepared in accordance with the Direction on the Annual Accounts issued by the Secretary of State with the consent of HM Treasury in accordance with paragraph 18(2)(e) of Schedule 1 to the Act. Details of the Direction can be found on page 86.

Details of the principal Accounting Policies are provided in Note 1 to the Accounts.

### Land and property ownerships

The Olympic Park at Stratford covers an area of 2.5 square kilometres where the freehold ownership rests with the London Development Agency (LDA). The ODA does not have any land ownership interests on the Olympic Park but has licence arrangements to enter the site to carry out groundworks and other site infrastructure.

The ODA holds the freehold of 55 hectares of land at Stratford City to the east of the Olympic Park, which will be developed for the Stratford City development including the Olympic Village. The economic interest in the land at Stratford City remains with the Secretary of State for Transport and London & Continental Railways (LCR). The ODA has no other land ownership.

The ODA holds an assignment of leasehold premises at 11 Burford Road, Stratford where its planning department is located. The lease runs until September 2014.

On 9 November 2007 the ODA took an assignment of leasehold premises at Omega Works, Roach Road, Bow, for use as a viewing platform. The lease runs until 1 November 2012.

The ODA is a sub tenant of the London Organising Committee for the Olympic Games (LOCOG) in respect of its offices at 1 Churchill Place, Canary Wharf.

### **Interim Olympic Delivery Authority**

Following the successful Host City bid but before the ODA was brought into existence by the Act, a number of Games related and regeneration activities had to be undertaken to ensure the Olympic Programme could be delivered on time. These activities were carried out by a separate division of the London Development Agency (LDA) known as the Interim Olympic Delivery Authority (iODA). The iODA was not a separate legal entity.

The assets and liabilities of the iODA were transferred from the LDA to the ODA and the extant contracts with the iODA were novated to the ODA. The iODA's contribution to the expenditure on the Olympic Programme is recorded in the table on page 61 which shows the cumulative cost of the programme to date.

### **Delivery Partner**

The ODA has appointed CLM Delivery Partner Ltd (CLM) as its Delivery Partner to support the ODA in project managing the delivery programme for the venues and infrastructure for the Games. CLM is a consortium of CH2M Hill, Laing O'Rourke and Mace. CLM provides the ODA with world-class project and programme management expertise with experience of previous Olympic and Paralympic Games. The appointment of CLM has enabled the ODA to quickly resource to meet its challenging operational and delivery targets.

### **Olympic Park Transport and Environmental Management Schemes**

As part of the planning permissions for the Olympic Park the ODA has agreed to make a contribution of £20m (under s106 of the Town and Country Planning Act 1990) towards the cost of mitigating the adverse transportation effects within the neighbouring residential and business communities. The contribution is held in a bank account controlled by the ODA but to which it has no access except for the purposes specified in the planning permission. The balance on the account is excluded from the Cash in bank and at hand figure in the ODA's balance sheet.

### **Review of activities**

A full description of the ODA's activities is given on pages 14.

### **Board membership**

The ODA's Board comprises 14 members, appointed by the Olympics Minister for periods of up to three years. The members of the ODA's Board are listed on pages 10 to 13.

John Armit was appointed as Chairman by the Olympics Minister with effect from 1 September 2007.

All other Board members were appointed on 21 April 2006 with the exception of Sir Peter Mason, who was appointed on 2 October 2006. All terms of appointment were initially for 2 years. Those appointments which expired on 20 April 2008 were extended for a further year.

Sir Roy McNulty served as acting Chairman from 18 October 2006 until 31 August 2007 and was appointed Deputy Chairman 1 September 2007.

The members of the Board are required to follow the principles established by the Nolan Committee in the conduct of public bodies. The ODA maintains a Register of Interests to identify any potential conflicts of interests that is open to the public. This is available on the ODA website and by application to the Board Secretariat.

# Accounting Officer's Statements

## Accounting Officer's Report continued

### Committees of the Board

#### Planning Committee

The Planning Committee is a sub committee of the Board set up to exercise the ODA's development control and planning authority powers set out in the ODA Planning Functions Order. It meets at least six times a year. The Committee performs an independent role from the functions of the rest of the ODA and is separately advised by the Planning Decisions Team of officers and advisers. The responsibility of the Planning Committee includes determining planning applications within the ODA's planning authority area. The Planning Decisions Team deals, inter alia, with planning enforcement matters and co-ordination with local authorities regarding development control issues in respect of the Olympic and Paralympic Games.

The Planning Committee is appointed by the Board and the external members are confirmed by the Olympics Minister. The Committee members are:

Lorraine Baldry	Chair
David Taylor	Deputy Chair
Cllr Rofique Ahmed	LB Tower Hamlets
Cllr Conor McAuley	LB Newham
Cllr Geoff Taylor	LB Hackney
Cllr Terry Wheeler	LB Waltham Forest
Mike Appleton	
Celia Carrington	
William Hodgson	
Janice Morphet	
Dru Vesty	

All Planning Committee members were appointed on 6 September 2006 for a two year term.

#### Audit Committee

The Audit Committee is a sub committee of the Board that meets at least four times a year. The Committee has three prime functions: it oversees the development, implementation and maintenance of the overall risk management framework and its risk strategy and policies to ensure they are in line with corporate governance and reviews the developmental and commercial strategies; it ensures that financial statements comply with statutory and administrative requirements and ensures the ODA meets the highest standards of propriety and accountability for the use of public funds. The Committee members are:

Sir Roy McNulty	Chair from 1 September 2007
Sir Howard Bernstein	Acting Chair from 18 October 2006 to 31 August 2007
Sir Peter Mason	From 25 October 2007
Neale Coleman	
Christopher Garnett	
Kumar Muthalagappan	

#### Finance Committee

The Finance Committee is a sub committee of the Board that meets at least four times a year. The Committee has three prime functions: to review and challenge financial plans, review the use of resources (in particular, the ODA's running costs and the utilisation of the Delivery Partner) to ensure that value for money is achieved; and assist the Audit Committee and Board in ensuring that the ODA meets the highest standards of financial management and accountability for the use of public funds. The Committee members are:

John Armitt	Chair from 1 September 2007
Sir Roy McNulty	Chair to 31 August 2007
Sir Howard Bernstein	
Neale Coleman	
Christopher Garnett	
Kumar Muthalagappan	

### Remuneration Committee

The Remuneration Committee is a sub committee of the Board that meets at least four times a year to review and determine the remuneration arrangements of the ODA staff including pensions and performance related pay. The Committee determines the remuneration of the Chief Executive. The Committee members are:

Sir Roy McNulty	Chair
John Armitt	From 23 November 2007
Tony Ball	
Sir Howard Bernstein	
Christopher Garnett	
Kumar Muthalgappan	

### Communications Committee

The Communications Committee is a sub committee of the Board that meets at least six times a year to provide advice, support and guidance to the Board and Communications Director in relation to the ODA's communications strategy, including media, stakeholder and community relations, marketing, branding and publications. The Committee members are:

Baroness Morgan of Huyton	Chair
Sir Howard Bernstein	
Neale Coleman	

### Safety, Health and Environment Committee

The Safety, Health and Environment Committee is a sub-committee of the Board that met for the first time in January 2008. It will meet at least four times a year. The Committee has two prime functions: to review the ODA Safety, Health and Environment Standards and incorporated policies to ensure that they remain in the forefront of best industry practice; and to review the implementation of those policies to ensure that they are in line with corporate governance and industry best practice, including legal compliance. The Committee members are:

Stephen Duckworth	Chair
Barry Camfield	
Sir Peter Mason	

### Executive Management Board

The Chief Executive, David Higgins, was appointed by the Secretary of State. He has also been designated as Accounting Officer and is responsible to the Board for the general exercise of the Board's functions. The Executive Management Board assists David Higgins in the discharge of his responsibilities.

The members of the Executive Management Board during the year were:

David Higgins	Chief Executive
Dennis Hone	Director of Finance and Corporate Services
Ralph Luck	Director of Property
Alison Nimmo	Director of Design and Regeneration
Godric Smith	Director of Communications
Howard Shiplee	Director of Construction
Hugh Sumner	Director of Transport
Simon Wright	Director of Infrastructure and Utilities

# Accounting Officer's Statements

## Accounting Officer's Report continued

### Creditor payment policy and practice

The ODA has signed up to the Better Payment Practice Code, and is committed to adhering to the Late Payment of Commercial Debts (Interest) Act 1998, by paying all invoices not in dispute within agreed contractual provisions or within 30 days of the presentation of a valid invoice. An analysis of payment performance during the 2007–08 financial year showed that 47 per cent (2006–07: 48 per cent) of invoices (not in dispute) were paid in accordance with the code.

### Employment of disabled persons

The ODA gives full and fair consideration to all applications for employment from disabled people, having regard to their aptitudes and abilities, and seeking ways to make reasonable adjustments where appointments of disabled people are made. Should any employee become disabled while working for the ODA, arrangements for retraining and support will be made wherever possible with a view to enabling continued employment.

### Health and safety

The ODA has ensured that health and safety is treated as a core issue in the specification, procurement and delivery of design and construction work. There are well-developed processes to achieve healthy and safe designs for the construction, use and maintenance of venues and facilities. The construction work is undertaken in a context carefully planned to enable our supply chain to deliver performance, and the works are closely monitored to confirm compliance with the extensive ODA Safety, Health and Environment Standard. The results to date are comparable to world-class projects, achieving an accident frequency rate of less than a tenth of the estimated UK construction industry average. The ODA is also committed to looking after the well-being of its own staff. This is achieved through regular monitoring of the working environment, staff training and an occupational health scheme providing annual health checks addressing work-related and lifestyle issues.

### Employee relations

The ODA values diversity and strives to provide equality of opportunity in employment. ODA job vacancies are advertised and all job applicants are given full and fair consideration and are judged on the merit of their skills, experience and qualifications in relation to the specific requirements of posts within the ODA.

Employees of the ODA are provided with opportunities to participate actively in the affairs, policy development and performance of the organisation. Employees are invited to attend regular briefings on the work of the ODA and London 2012 and to contribute to human resources policy development.

There is an active Staff Forum which is an elected body set up for information and consultation purposes. Feedback from the staff opinion survey shows very high levels of employee engagement.

### Pensions

Employees can elect to join the ODA's group stakeholder pension plan which is described in Note 5 to the Accounts.

### Open Government and Freedom of Information

The ODA is committed to fostering a culture of openness, transparency and accountability. It is also committed to comply with its obligations under the Freedom of Information Act.

### Special payments

Special payments are shown in note 20 to the Accounts.

### Gifts and hospitality

All the ODA's staff are required to register all gifts and offers of hospitality on a weekly basis, regardless of their size. This information is recorded on the gifts and hospitality register, maintained by the legal department. The register is published quarterly on the ODA's website.

### Protected personal data

The ODA has suffered no protected personal data incidents during 2007–08 or prior years and has made no reports to the Information Commissioner's office.

## Financial performance

The Income and Expenditure Account shows a deficit for the year of £269,275,000 (2006–07: £83,696,000). The deficit arises primarily from the requirements of HM Treasury in accounting for Grant in Aid. Grant in Aid is taken directly to reserves and as a consequence expenditure funded by Grant in Aid is not matched by income in the Income and Expenditure Account and a deficit arises. Also, as Grant in Aid is recognised on a cash basis it does not cover accruals which increases the deficit on the General Reserve.

On 15 March 2007 the Olympics Minister announced a Public Sector Funding Package for the London 2012 Games of £9.325 billion. The ODA has an ongoing financial reliance on this Public Sector Funding Package and specifically the grants from DCMS, the Olympic Lottery Distributor (OLD) and the Greater London Authority (GLA) to fund its operations. The ODA has made further enquiries of DCMS and its other funding bodies and it is confident that resources will be secured to enable the ODA to meet its financial and operational objectives. In addition the overall funding of the work necessary to deliver the venues and infrastructure for the Olympic and Paralympic Games is underwritten by Government as part of the host city contract with the International Olympic Committee.

Grants receivable during the year were as follows:

	2007–08 £'000	2006–07 £'000
Department for Culture, Media and Sport	235,903	52,672
Olympic Lottery Distributor	175,889	77,592
Greater London Authority	60,100	48,920
	<b>471,892</b>	<b>179,184</b>

Expenditure during the year relates to the preparation of the Olympic Park for construction. Work has continued on the design of the venues with procurement of the main venues well under way. Total expenditure for the year was £566,379,000 (2006–07: £211,485,000); of this amount £108,573,000 (2006–07: £18,034,000) was spent on Fixed Assets such as venues; roads, bridges and other structures, and related programme costs; £344,034,000 (2006–07: £139,247,000) was expensed having been spent on master planning, tunnelling for underground powerlines, initial ground works. £111,136,000 (2006–07: £53,684,000) relates to programme management, £2,636,000 (2006–07: £520,000) relates to depreciation.

The combined investment of public money through both the iODA (note 21) and ODA to-date is set out in the table below.

	iODA Total £'000	ODA 2006–07 £'000	ODA 2007–08 £'000	Total £'000
<b>Expenditure</b>	<b>85,297</b>	<b>210,965</b>	<b>563,743</b>	<b>860,005</b>
Site preparation and infrastructure	77,849	93,307	273,182	444,338
Venues	388	7,961	60,485	68,834
Transport	201	12,087	35,367	47,655
Other Parkwide projects	5,489	21,658	67,201	94,348
Olympic Village and IBC/MPC	–	17,578	9,109	26,687
<b>Total programme</b>	<b>83,927</b>	<b>152,591</b>	<b>445,344</b>	<b>681,862</b>
Programme Management	1,370	58,374	118,399	178,143
<b>Total</b>	<b>85,297</b>	<b>210,965</b>	<b>563,743</b>	<b>860,005</b>

ODA expenditure in 2007–08 excludes depreciation of £2,636,000 (2006–07: £520,000) and is net of reimbursement of £81,958,000 (2006–07: £1,382,000) from the London Development Agency for remediation and other costs incurred by the ODA on its behalf.

# Accounting Officer's Statements

## Accounting Officer's Report continued

### Financial position

At the year end the Balance Sheet shows net assets of £8,537,000 (2006–07: net liabilities £7,838,000) despite an Income and Expenditure Account deficit of £269,275,000 (2006–07: £83,696,000). This position arises as a result of the requirement to take DCMS Grant in Aid to the General Reserve.

Creditors are comprised primarily of accruals of £105,017,000 (2006–07: £48,596,000) for works undertaken and not yet invoiced.

### Fixed assets

Tangible fixed assets at the year end amounted to £121,038,000 (2006–07: £19,018,000), of which £105,862,000 (2006–07: £19,392,000) were purchased during the year. Assets in the course of construction amount to £114,028,000 (2006–07: £13,344,000). The remaining £7,010,000 (2006–07: £5,674,000) comprises expenditure on construction site accommodation, office fit-out and computer equipment.

### Cash balances

To the extent that cash balances are held by the ODA as a result of timing differences the ODA maximises its earning capability on its cash balances through money market deposits. All cash at the end of the period was held in commercial banks, at floating rates of interest.

### Auditors

The Comptroller and Auditor General is the statutory appointed auditor.

So far as the Accounting Officer is aware, there is no relevant audit information of which the ODA's auditors are unaware, and he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the ODA's auditors are aware of that information.

### Post balance sheet events

There were no post balance sheet events.

# Accounting Officer's Statements

## Remuneration Report

### Constitution of the Remuneration Committee

The constitution of the Remuneration Committee is set out on page 59.

The Committee has four main functions:

- to determine the remuneration of the Chief Executive, including salary and performance related pay;
- to consider recommendations and proposals from the Chief Executive regarding pay, bonuses and any other matters regarding remuneration for the Directors and direct reports to the Chief Executive;
- to advise the Board and the Chief Executive as requested on general matters regarding remuneration of employees; and
- to consider any matters relating to the ODA's pension arrangements which may require the attention of the Board.

### Remuneration Policy

The Remuneration Committee has regard, within the constraints of Public Sector Pay Policy, to the need to recruit high calibre employees to ensure that the Olympic Programme can be delivered on schedule. The levels of remuneration of employees are subject to agreement with DCMS.

The ODA operates a discretionary non-pensionable bonus scheme which is designed to incentivise employees and is based on the achievement of the ODA's objectives, as measured through a rigorous performance management framework. The performance management framework assesses performance of individuals during each financial year. Bonuses for the 2007–08 financial year were paid to employees in May 2008.

The exception to this is the bonus of the Chief Executive who, for the financial year 2007–08 has been incentivised on targets that go up to August 2008, which is the completion of the Demolish, Dig, Design phase of the programme of work. The accrued bonus disclosed in the table on page 65 is not payable until then.

Board and Committee members are paid a daily rate according to the time that they have spent on Board and Committee duties.

### Service contracts

The Olympics Minister appoints Board members for periods of up to three years and also sets the level of their emoluments. Their appointments require three months' notice of termination.

Planning Committee Members are appointed by the ODA with the Olympics Minister's approval for periods up to two years. Their appointments require three months notice of termination.

The Chief Executive, Director of Finance and Corporate Services and Director of Transport appointments were subject to the approval of the Secretary of State. The other Executive Management Board members have been appointed by the Board. The terms and conditions of employment of all Executive Management Board members are approved by DCMS.

The Chief Executive is employed on a permanent contract and is required to give 6 months notice of termination of employment whilst the ODA is required to give 12 months notice to the Chief Executive.

Other Executive Management Board members have permanent contracts of employment with notice periods between three and six months.

# Accounting Officer's Statements

## Remuneration Report continued

### Remuneration (audited information)

Board members		2007-08 £'000	2006-07 £'000
John Armitt	Chairman from 1 September 2007	144	–
Sir Roy McNulty	Acting Chairman to 31 August 2007	160	115
Lorraine Baldry		15	15
Tony Ball		–	–
Sir Howard Bernstein		8	13
Barry Camfield		7	6
Neale Coleman		–	1
Stephen Duckworth		20	12
Christopher Garnett		11	12
Sir Peter Mason		8	2
Baroness Morgan of Huyton		10	12
Kumar Muthalagappan		9	10
Sir Nicholas Serota		14	7
David Taylor		12	9
Jack Lemley	To 17 October 2006	–	611

Board members receive no benefits in kind or pension entitlements. Board members received reimbursement of travel and subsistence expenses amounting to £61,000 (2006-07: £43,000) in the financial year.

### Planning Committee members

The Chair and Deputy Chair of the Planning Committee, Lorraine Baldry and David Taylor respectively, are members of the Board and their remuneration is set out in the preceding table.

The remuneration of the other Planning Committee members is shown below:

	2007-08 £'000	2006-07 £'000
Cllr Rofique Ahmed	6	4
Cllr Conor McAuley	8	3
Cllr Geoff Taylor	6	3
Cllr Terry Wheeler	4	3
Mike Appleton	10	5
Celia Carrington	8	3
William Hodgson	6	3
Janice Morphet	6	3
Dru Vesty	6	4

Planning Committee members receive no benefits in kind nor have any pension entitlements. Planning Committee members received reimbursement of travel and subsistence expenses amounting to £3,000 (2006-07: £3,000) in the financial year.

## Senior management

	Salary	Performance related pay	Taxable benefits	Employer's pension contributions	Total 2007-08	Total 2006-07*
	£'000	£'000	£'000	£'000	£'000	£'000
David Higgins <b>Chief Executive</b>	373	205	–	46	624	631
Dennis Hone <b>Director of Finance and Corporate Services</b> From 14 August 2006	269	58	–	31	358	216
Ralph Luck <b>Director of Property</b> From 2 July 2006	230	37	5	25	297	204
Alison Nimmo <b>Director of Design and Regeneration</b> From 1 July 2006	217	47	–	26	290	204
Howard Shiplee <b>Director of Construction</b> From 11 September 2006	274	52	–	31	357	189
Godric Smith <b>Director of Communications</b> From 1 September 2006	186	35	–	22	243	132
Hugh Sumner <b>Director of Transport</b> From 10 July 2006	217	42	–	26	285	197
Simon Wright <b>Director of Infrastructure and Utilities</b> From 14 August 2006	217	47	–	26	290	177

\* In relation to the figures for 2006–07: with the exception of David Higgins, the 2006–07 figures are part-year only and the figures for 2007–08 are full year. The difference between 2006–07 and 2007–08 is not therefore any indication of the level of salary increase.

## Payments to third parties

There were no payments to third parties for the services of senior managers (2006–07: £374,000).

## Pensions

Employees can elect to join the ODA's group stakeholder pension plan which is described in Note 5 to the Accounts. Except as noted below, all Directors are members of the scheme.

Howard Shiplee has a personal pension to which contributions are made by the ODA on the same basis as other employees.

Dennis Hone and Ralph Luck are members of the English Partnerships Pension Scheme which is a multi-employer defined benefit scheme.

	Real increase in accrued pension £'000	Accrued pension at 31 March 2008 £'000	CETV at 31 March 2007 £'000	CETV at 31 March 2008 £'000	Real increase in CETV £'000
Dennis Hone	3	57	823	975	114
Ralph Luck	3	62	1,113	1,346	185

## The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. It does not take into account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

## The Real Increase in the Value of the CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, employee contributions (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Accounting Officer's Statements

### Statement of Accounting Officer's Responsibilities

Under Schedule 1 of the London Olympic Games and Paralympic Games Act 2006, the ODA is required to prepare, for each financial year, a statement of accounts in the form and on the basis determined by the Secretary of State, with the consent of HM Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the ODA's state of affairs and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer, is required to comply with the requirements of the Government Financial Reporting Manual (the FReM) and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Secretary of State for Culture, Media and Sport has designated the Chief Executive as Accounting Officer. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the ODA's assets, are set out in Accounting Officer's Memorandum issued by HM Treasury and published in *Managing Public Money*.

# Accounting Officer's Statements

## Statement of Internal Control

### Scope of responsibility

As Accounting Officer for the ODA, I have responsibility for maintaining a sound system of internal control that:

- supports the achievement of the ODA's policies, aims and objectives; whilst
- safeguarding the public funds and ODA assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money; and
- ensures compliance with the Management Statement and the Financial Memorandum, including specific accountability arrangements with the Department for Culture, Media and Sport, the Greater London Authority, the London Development Agency and the Olympic Lottery Distributor.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to absolutely eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of ODA policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised; and
- manage them efficiently, effectively and economically.

The year to 31 March 2008 was the ODA's second year of operation, and has been a period of enhancing and embedding the system of internal control put in place in 2006–07. The ODA has kept its processes and procedures under regular review during the year, while simultaneously implementing new policies as the programme to design and build the venues and infrastructure needed for the London 2012 Games has progressed.

With the additions, refinements and enhancements to the system made throughout the year, the system of internal control in place at 31 March 2008 is better defined and structured compared to that in place at the start of the year (and remains so as at the date the financial statements were approved). All such changes were developed, as appropriate, in consultation with management, the Executive Management Board (EMB), and the ODA Board and relevant committees.

### Managing Risk

The ODA has a risk policy that clearly identifies how risk is managed through three lines of defence. The three lines of defence comprise of:

- First Line: Line management is responsible for delivery of the ODA's programme objectives and managing the risk arising in its day to day activities in accordance with the processes set out in the ODA's Risk Management Framework.
- Second Line: the Programme Assurance Office (PAO) is responsible for the effective oversight and challenge of risk management, reporting on effectiveness to EMB and the ODA Board.
- Third Line: the Risk and Audit Department is responsible for establishing a work programme to provide assurance, to the Audit Committee and Executive, on the effectiveness of implementation of the risk management framework.

In addition, PAO advises management on the risk training needs of those staff for which they are responsible. The provision for such training is facilitated by the PAO.

Over the last 12 months, good progress has been made in the field of risk management. However, as the programme begins to ramp up as we approach the 'Big Build' phase, it is ever more important that we practise a sound approach to risk governance within which risk is managed through a clearly understood and consistently applied risk management process and clearly defined risk management responsibilities. To facilitate the development of risk management practices, the responsibilities of the Head of Risk and Audit have been broadened to also embrace the role of the Chief Risk Officer, and the Audit Committee has assumed the functions of the previous Risk Committee.

### The Risk and Control Framework

The Risk Policy is owned by the ODA Board, and overseen on a day to day basis by Risk and Audit. It outlines the objectives, governance and high level roles and responsibilities for risk management. Beneath this, the risk management framework sets out the processes followed within the ODA and the Delivery Partner, and outlines the risk escalation strategy and categorisation; and risk recording and reporting processes. It methodically addresses and quantifies the risks to the business with the objective of achieving sustained benefit within each activity and, importantly, across the portfolio of all activities.

## Accounting Officer's Statements

### Statement of Internal Control continued

The ODA's strategy is to marshal its resources such that risk is reduced to a level that is tolerable and within its overall risk appetite. The risk appetite is the level of risk exposure that is considered tolerable should it materialise and is expressed as a series of boundaries that help the ODA as a whole, the Executive Management Board, and other senior management understand the quantum of the risk exposure being incurred and when such exposure is approaching unacceptable levels.

However, the impact of certain risks is unavoidable (for example, risks arising from terrorist activity or 'acts of God' such as flood risk), therefore line management is responsible for establishing and testing contingency plans for such risks. The 'Business Continuity/Crisis Management Policy and Planning Standards', an overall strategy for business continuity management for the ODA as a whole, including the Delivery Partner operations, was developed during 2007–08 and approved by EMB at its April 2008 meeting.

The ODA records the risks it faces in a risk register that shows clearly the owner of the risk, the gross value of the risk, the actions being taken to mitigate the risk, and the net risk position.

In addition to the Risk Management Framework, the ODA has established an annual internal assurance process that requires Directors to report on whether they have complied with the ODA's risk and internal control procedures, and identifies the work undertaken to keep risk and internal control under review, up to date, and appropriate.

On behalf of the ODA Board, the Risk and Audit department periodically review all aspects of the Risk Framework to ensure its ongoing appropriateness.

#### Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control has been informed by the work of:

- Risk and Audit;
- internal assurance processes;
- gateway reviews undertaken externally by the Office of Government Commerce, and internally by the Programme Assurance Office; and
- comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee, and plan to address weaknesses and ensure continuous improvement of the systems in place.

The Risk and Audit Department provides an independent, objective and systematic evaluation of risk management, control and governance within the ODA. Risk and Audit examines the adequacy, efficiency and effectiveness of systems, people and processes to identify potential risks and areas for improvement. This includes reviewing the effectiveness of the systems of internal control to confirm compliance with the 'Management Statement' and the 'Financial Memorandum'.

Risk and Audit provides findings and recommendations for each audit/review, including benchmarking controls and performance against leading practices, with the aim of improving processes and practices within the ODA. All action items arising from audits/reviews have an agreed management response and implementation date. The implementation is monitored by Risk & Audit, and reported on an exception basis to the Audit Committee. In addition, the Head of Risk and Audit provides me with an annual report on the delivery and outcome from the approved annual work programme for the 2007–08 financial year. The Head of Risk & Audit highlighted the following areas for attention in 2008–09, when the ODA should:

- build on the current positive levels of programme, project and contract management to further develop, embed and standardise good practice;
- embed further the 'three lines of assurance' at all levels across the ODA; and
- remain vigilant to ever-present security and fraud risks.

Overall, the Head of Risk & Audit concluded, 'considering the evolution of the ODA, and the ongoing development and rollout of systems, processes and controls, in my opinion the system on internal control within the Olympic Delivery Authority is satisfactory'.

As a result of the above, some potential improvements to the system of internal control have been identified that will be put in place during 2008–09. As the ODA continues to develop and evolve, I will keep the system of internal control and risk management under review and seek to make improvements, enhancements and refinements as required.

Accounting Officer Statements signed and approved



**David Higgins**  
Chief Executive and Accounting Officer  
Olympic Delivery Authority  
26 June 2008

# Audit Report and Opinion

## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Olympic Delivery Authority for the year ended 31 March 2008 under the London Olympic Games and Paralympic Games Act 2006. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### Respective responsibilities of the Authority, Chief Executive and auditor

The Authority and Chief Executive as Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the London Olympic Games and Paralympic Games Act 2006 and directions made thereunder by the Secretary of State and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the London Olympic Games and Paralympic Games Act 2006 and directions made thereunder by the Secretary of State. I report to you whether, in my opinion, the information, which comprises the Accounting Officer's Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Authority has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal control reflects the Authority's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the Authority's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

### Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Authority and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

## Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the London Olympic Games and Paralympic Games Act 2006 and directions made thereunder by the Secretary of State, of the state of the Authority's affairs as at 31 March 2008 and of its deficit for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the London Olympic Games and Paralympic Games Act 2006 and directions made thereunder by the Secretary of State; and
- information, which comprises the Accounting Officer's Report, is consistent with the financial statements.

## Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

## Report

I have no observations to make on these financial statements.

## T J Burr

Comptroller and Auditor General

9 July 2008

National Audit Office

151 Buckingham Palace Road

Victoria

London

SW1W 9SS

## Accounts

### Income and Expenditure Account for the year ended 31 March 2008

	Note	2007-08 £'000	2007-08 £'000	2006-07 £'000
<b>Income</b>				
Grant receivable	2		183,606	108,642
Other grant income	3		932	–
Other operating income	3		285	20
			<b>184,823</b>	<b>108,662</b>
<b>Expenditure</b>				
Programme Expenditure	4	344,034		139,247
Programme Management	4	111,136		53,684
			455,170	192,931
<b>Operating deficit</b>				
Interest receivable	6		1,579	818
			<b>(270,347)</b>	<b>(84,269)</b>
<b>Deficit on ordinary activities before taxation</b>				
Taxation	7		(507)	(245)
<b>Deficit for the year</b>			<b>(269,275)</b>	<b>(83,696)</b>

The notes on pages 76 to 85 form part of these Accounts.  
All amounts relate to continuing activities.

Grant in Aid received towards programme expenditure and management is not recognised in the Income and Expenditure Account but taken directly to reserves in accordance with requirements specified by HM Treasury and therefore a deficit arises.

## Balance sheet at 31 March 2008

	Note	2007-08 £'000	2007-08 £'000	2006-07 £'000
<b>Fixed assets</b>				
Tangible fixed assets	8		121,038	19,018
Intangible fixed assets	9		2,662	687
			<b>123,700</b>	<b>19,705</b>
<b>Current assets</b>				
Loan	10	4,250		–
Debtors	11	11,280		26,594
Cash at bank and in hand		18,541		2,196
		<b>34,071</b>		<b>28,790</b>
Creditors: amounts due within one year	12	(149,234)		(52,243)
<b>Net current liabilities</b>			<b>(115,163)</b>	<b>(23,453)</b>
<b>Total assets less current liabilities</b>			8,537	(3,748)
<b>Creditors: amounts falling due after more than one year</b>	12		–	(4,090)
<b>Net Assets/(Liabilities)</b>			<b>8,537</b>	<b>(7,838)</b>
<b>Reserves</b>				
General Reserve	13		(58,560)	(25,188)
Greater London Authority Capital Reserve	14		46,906	6,766
Olympic Lottery Distributor Capital Reserve	14		20,191	10,584
<b>Net Assets/(Liabilities)</b>			<b>8,537</b>	<b>(7,838)</b>

The notes on pages 76 to 85 form part of these Accounts.  
All amounts relate to continuing activities.

Approved by the Board on 26 June 2008



**David Higgins**  
Chief Executive and Accounting Officer



**John Armitt**  
Chairman

## Accounts continued

### Statement of recognised gains and losses for year ended 31 March 2008

	Note	2007–08 £'000	2006–07 £'000
Olympic Lottery Distributor grants taken to reserves	14	12,243	11,104
Greater London Authority grants taken to reserves	14	40,140	6,766
Reserves released in year for depreciation	14	(2,636)	(520)
Net assets transferred from LDA to the ODA	21	–	5,836
<b>Recognised gains</b>		<b>49,747</b>	<b>23,186</b>

The notes on pages 76 to 85 form part of these Accounts.  
All amounts relate to continuing activities.

## Cash flow statement for the year ended 31 March 2008

	2007-08 £'000	2007-08 £'000	2006-07 £'000
Net cash outflow from operating activities		(192,494)	(55,691)
Return on investments and servicing of finance		1,526	818
Taxation	(507)		(245)
Increase in taxation creditor	262		245
Tax paid		(245)	
Capital expenditure		(80,728)	(13,473)
Financing		288,286	70,542
<b>Increase in Cash</b>		<b>16,345</b>	<b>2,196</b>

The notes on pages 76 to 85 form part of these Accounts.  
All amounts relate to continuing activities.

### Notes to the Cash Flow Statement

#### a) Reconciliation of operating deficit to net cash outflow from operating activities

	2007-08 £'000	2006-07 £'000
Operating deficit before interest and taxation	(270,347)	(84,269)
Depreciation	2,636	520
Grant released	(2,636)	(520)
Decrease/(Increase) in debtors	15,367	(26,594)
Increase in operating creditors	62,872	51,527
Profit on disposal of fixed assets	(386)	-
Net current assets transferred from LDA to the ODA	-	3,645
<b>Net cash outflow from operating activities</b>	<b>(192,494)</b>	<b>(55,691)</b>

#### b) Capital expenditure and financial investments

	2007-08 £'000	2006-07 £'000
Capital expenditure	(108,573)	(18,034)
Proceeds of disposal of fixed assets	2,328	-
Loans to other bodies	(4,250)	-
Increase in capital creditors	29,767	4,561
<b>Net cash outflow from capital activities</b>	<b>(80,728)</b>	<b>(13,473)</b>

#### c) Financing

	2007-08 £'000	2006-07 £'000
Grant in Aid received	235,903	52,672
GLA capital grant	40,140	6,766
OLD capital grant	12,243	11,104
<b>Total financing</b>	<b>288,286</b>	<b>70,542</b>

# Notes to the Accounts

## 1 Accounting Policies

### Statutory basis

The Accounts of the Olympic Delivery Authority (the ODA) have been prepared in accordance with the London Olympic Games and Paralympic Games Act 2006 (paragraph 32(1) of Schedule 1), and the Direction given by the Secretary of State (paragraph 18(2)(e) of Schedule 1), with approval by HM Treasury. The Direction reflects Government policy that the Accounts should conform to the accounting and disclosure requirements contained in Managing Public Money and in the HM Treasury guidance, 'Financial Reporting Manual (FReM)'. The accounting policies contained in the FReM follow UK Generally Accepted Accounting Practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy selected is the one which has been judged to be the most appropriate to the particular circumstances of the ODA for the purpose of giving a true and fair view. These policies have been applied consistently in dealing with items considered material in relation to the accounts.

### Basis of preparation

The ODA was formed to be the single delivery body responsible for creating the venues, infrastructure and associated works for the London 2012 Games. The accounting policies have been chosen to best reflect the limited lifetime of the ODA.

The Accounts are prepared on a going concern basis.

### Tangible fixed assets and depreciation

Tangible fixed assets are held at cost at the balance sheet date. Given the limited period of the ODA's operations, it is not intended to obtain regular professional valuations of assets until after the Games have been completed.

On initial recognition assets are measured at cost including any costs such as installation directly attributable to bringing them into working condition. The cost of the initial fitting out of the ODA's offices has been capitalised, together with all subsequent asset additions with a purchase price of over £1,000.

Assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful life. Asset lives are normally in the following ranges:

Land	Not depreciated
Freehold and leasehold venues and buildings	The useful life, up to a maximum of 50 years
Bridges, roads and other structures	The useful life, up to a maximum of 50 years
Portable buildings	3 years
Specific construction equipment	The length of the construction contract
Computer and office equipment	Up to 6 years

### Intangible Fixed Assets

Intangible fixed assets are held at cost at the balance sheet date. Intangible assets are computer software and licences which are written off over the expected life of the asset.

### Programme Costs

The ODA undertakes a mix of projects, some of which are carried out with the intention of delivering the London 2012 Games and others for providing infrastructure that creates benefits to the wider lower Lea Valley and its regeneration.

The ODA is currently investing in six broad categories of projects which make up the programme:

- **Site preparation and infrastructure** (Powerlines Underground, Utilities, Enabling Works, Structures, Bridges and Highways, Landscape and Public Realm);
- **Venues** (Olympic Stadium, other Olympic Park and non-Olympic Park venues);
- **Transport** (Thornton Field relocation, Stratford Regional Station improvements, DLR improvements);
- **Other Parkwide projects** (Logistics, Master Planning, section 106 obligations (Planning Gain), Insurance, Security);
- **International Press & Media Centre and Olympic Village**; and
- **Programme Management**

The analysis by programme has changed since last year and is now aligned to the budget reported to Parliament and published in the Programme Baseline Report. Prior year figures have been re-aligned for consistency with current year figures. This is a reclassification and has no impact on overall financial performance.

The accounting policies for these categories of projects are as follows:

#### Site preparation and infrastructure

The cost of site preparation and infrastructure is charged to the Income and Expenditure Account as incurred unless the ODA retains an economic interest in the asset in which case it will be capitalised.

#### Venues

Expenditure on all venues is capitalised. All venues will be revalued after the Games have been completed to reflect their ongoing legacy value. Any costs associated with moving the venues to their legacy status after the Games have been completed will be provided for when the ODA has an obligation to incur the expenditure.

#### Transport

Grants provided to transport delivery organisations are charged to the Income and Expenditure Account. Costs associated with the provision of transport services during the Games will be charged to the Income and Expenditure Account.

#### Other Parkwide projects

Expenditure on Logistics, Master planning, section 106, Insurance and Security is charged to the Income and Expenditure Account as incurred

#### International Broadcasting Centre/Main Press Centre and Olympic Village

Expenditure on the International Broadcasting Centre/Main Press Centre is charged to the Income and Expenditure Account. The ODA holds the freehold of 55 hectares of land at Stratford City; however it retains no economic interest in the land as this remains with the Secretary of State for Transport and LCR. Expenditure relating to construction rights and use of the land will be charged to the Income and Expenditure Account.

#### Programme Management Costs

The treatment of programme management costs follows the treatment of the associated projects. Programme management costs associated with capitalised projects are capitalised.

#### Grants and funding receivable

The ODA receives a public sector funding package comprising grants from the Department for Culture, Media and Sport, the Greater London Authority and the Olympic Lottery Distributor.

Grant in Aid from DCMS is credited to the General Reserve. The ODA is not allowed to accrue for any balance of Grant in Aid owed to the ODA at the year end.

The Olympic Lottery funding is allocated between the OLD Capital Reserve, to the extent it matches capital expenditure, and the Income and Expenditure Account, to the extent it matches revenue expenditure. Any balance at the year end is treated as either an operating debtor or creditor.

The Greater London Authority funding is allocated between the GLA Capital Reserve, to the extent it matches capital expenditure, and the Income and Expenditure Account, to the extent it matches revenue expenditure. Any balance at the year end is treated as either an operating debtor or creditor.

#### Work undertaken on behalf of third parties

Where the ODA undertakes work on behalf of third parties, the contribution received is offset against the ODA's costs.

#### Other grants and other income

Other grants are receivable in respect of specific costs and are recognised on an accruals basis. Other income is recognised on an accruals basis.

#### Pension costs

Employees can elect to join the ODA's group stakeholder pension plan.

Contributions are charged in the Income and Expenditure Account as they become payable in accordance with the rules of the scheme.

#### Corporation Tax

The ODA is liable for Corporation Tax in respect of interest earned on cash balances. Corporation Tax is provided for on an accruals basis. Where the ODA is liable for other taxes, these are provided for an accruals basis.

## Notes to the Accounts continued

### VAT

Irrecoverable VAT is charged to the appropriate expense or asset heading in the accounts in accordance with SSAP 5. The ODA is registered for VAT; balances owing to and owed by HM Revenue and Customs are shown as a creditor or a debtor.

### Capital charge

A charge, reflecting the cost of capital utilised by the ODA, is included in the Income and Expenditure Account. The charge is calculated at the rate set by HM Treasury (currently 3.5 per cent) on the average carrying amount of all assets less liabilities, except for assets funded by GLA and OLD grants where the charge is nil. For 2007–08 the charge is immaterial (2006–07: nil).

### Loans

The ODA has the power under the Act, subject to the approval of the Olympics Minister, to advance monies to third parties in order to progress and maintain the programme for the delivery of the Olympic Park. Loans are disclosed in the balance sheet at fair value.

## 2 Grant receivable

This table shows the sources and application of the grant funding received during 2007–08.

Note	DCMS Grant in Aid £'000	Greater London Authority £'000	Olympic Lottery Distributor £'000	2007–08 Total £'000	2006–07 Total £'000
<b>Grants receivable</b>	<b>235,903</b>	<b>60,100</b>	<b>175,889</b>	<b>471,892</b>	<b>179,184</b>
Income & Expenditure Account	–	19,960	163,646	183,606	108,642
General Reserve	13	235,903	–	235,903	52,672
GLA Capital Reserve	14	–	40,140	40,140	6,766
OLD Capital Reserve	14	–	–	12,243	11,104
	<b>235,903</b>	<b>60,100</b>	<b>175,889</b>	<b>471,892</b>	<b>179,184</b>

The ODA receives grant funding to support overall programme delivery.

The Greater London Authority grant is to support the ODA's delivery of Games projects in Greater London only. Of the DCMS Grant in Aid received, £27,230,000 was used to finance capital assets.

## 3 Other income

	2007–08 £'000	2006–07 £'000
Other grants	932	–
Planning fee income	285	20
	<b>1,217</b>	<b>20</b>

Planning fee income does not include £163,000 of planning fees in respect of the ODA's own planning applications (2006–07: £65,000).

## 4 Expenditure

	Total Expenditure £'000	Capitalised to Fixed Assets £'000	Grant Released £'000	2007–08 Charged to Income & Expenditure Account £'000	2006–07 Charged to Income & Expenditure Account £'000
<b>Programmes</b>					
Site Preparation and Infrastructure	273,182	(40,825)	–	232,357	88,254
Venues	60,485	(60,485)	–	–	–
Transport	35,367	–	–	35,367	12,087
Other Parkwide Projects	67,201	–	–	67,201	21,658
Olympic Village and IBC/MPC	9,109	–	–	9,109	17,248
<b>Total Programme</b>	<b>445,344</b>	<b>(101,310)</b>	<b>–</b>	<b>344,034</b>	<b>139,247</b>
Programme Management	121,035	(7,263)	(2,636)	111,136	53,684
<b>Total Expenditure</b>	<b>566,379</b>	<b>(108,573)</b>	<b>(2,636)</b>	<b>455,170</b>	<b>192,931</b>

## Total expenditure

Total expenditure comprises building new venues and facilities including their legacy conversion, transport projects and programme management, including staff, accommodation, the contract with the delivery partner and on site logistics, infrastructure improvements to the Olympic Park, such as undergrounding of powerlines, and work on roads, bridges and tunnels. The majority of the Olympic Park is owned by the LDA. Total expenditure includes a contribution of £81,958,000 (2006–07: £1,382,000) from the LDA towards remediation and other works.

The ODA incurs administration costs in respect of its staff, buildings, information technology and outsourced support functions including its Delivery Partner. Expenditure that is directly related to the delivery of projects is capitalised, where applicable, and all other costs are expensed to the Income and Expenditure Account.

Total expenditure includes:

	2007–08 £'000	2006–07 £'000
Delivery Partner costs	87,563	18,118
Auditors' remuneration	158	113
Operating lease costs	1,410	1,291
Depreciation	2,636	520
Profit on disposal of fixed assets	(386)	–

No payment was made to the auditors for non-audit work.

## 5 Employee numbers and remuneration

### 5.1 Remuneration

	Board Members and Planning Committee Members £'000	Permanent staff £'000	Agency and temporary staff £'000	Seconded staff £'000	2007–08 Total £'000	2006–07 Total £'000
<b>Staff costs</b>						
Salaries	478	10,885	–	–	11,363	9,254
Performance related pay	–	1,690	–	–	1,690	531
Social security costs	29	1,459	–	–	1,488	683
Other pension costs	–	1,201	–	–	1,201	521
Agency and temporary staff costs	–	–	10,368	3,121	13,489	7,707
	<b>507</b>	<b>15,235</b>	<b>10,368</b>	<b>3,121</b>	<b>29,231</b>	<b>18,696</b>

The expenditure on seconded, agency and temporary staff includes VAT.

For detailed analysis of Board Members and Planning Committee Members remuneration, please refer to the Remuneration Report.

### 5.2 Staff numbers

The average monthly number of full time equivalent staff during the year, excluding Board Members and Planning Committee Members, was made up as follows:

	Permanent staff	Agency and temporary staff	Seconded staff	2007–08 Total	2006–07 Total
Programme employees	63	64	13	140	84
Programme management employees	93	68	10	171	68
	<b>156</b>	<b>132</b>	<b>23</b>	<b>311</b>	<b>152</b>

## Notes to the Accounts continued

### 5.3 Pensions

Employees can elect to join the ODA's group stakeholder pension plan which is a defined contribution scheme. The assets of the scheme are held separately from those of the ODA in an independently administered fund which is managed by Fidelity Ltd. Employer contributions are 6 per cent of pensionable pay. The ODA also matches employee contributions up to a further 6 per cent of pensionable pay.

The ODA was advised on the set-up of the scheme by Aon Ltd who also advise on the performance of Fidelity Ltd, the scheme's administrator.

The ODA has no on-going responsibility beyond the requirement to pay the employer contributions as they fall due and is neither responsible nor liable for the investment performance of the scheme. Fund selection and the adequacy of pension provision is the responsibility of the individual employee.

In accordance with the terms of their contracts of employment, the ODA has:

- One director in a personal Self-Invested Personal Pension. Contributions are charged in the Income and Expenditure Account as they become payable in accordance with the rules of the scheme.
- Two directors in the English Partnerships Pension Scheme which is a multi-employer defined benefit scheme as described in paragraph 9 of FRS 17, Retirement Benefits. Employer contributions are affected by a surplus or deficit on the scheme but the ODA is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis. The contributions are treated as if the scheme was a defined contribution scheme.

Contributions are charged to the Income and Expenditure Account as they become payable. Employer's contributions for these three EMB members are disclosed in the Remuneration Report.

Employer contributions for the year to 31 March 2008 were £1,201,000 (2006–07: £521,000 restated).

At the balance sheet date, there were unpaid pension liabilities of £145,538 (2006–07: £3,475).

### 6 Interest receivable

Bank interest of £1,579,000 (2006–07: £818,000) was receivable for the year. The average interest rate during the year was 5.6 per cent (2006–07: 4.9 per cent, restated).

### 7 Taxation

A tax provision for £507,000 (2006–07: £245,000) has been made for UK Corporation Tax payable on bank interest receivable.

### 8 Tangible fixed assets

	Assets under construction £'000	Computer equipment £'000	Fixtures and fittings £'000	Plant and machinery £'000	Total £'000
<b>Cost or valuation</b>					
At 1 April 2007	13,344	1,620	2,309	2,119	19,392
Additions	100,684	2,191	2,987	–	105,862
Disposals	–	–	–	(1,973)	(1,973)
At 31 March 2008	114,028	3,811	5,296	146	123,281
<b>Depreciation</b>					
At 1 April 2007	–	208	166	–	374
Charge	–	974	815	120	1,909
Disposals	–	–	–	(40)	(40)
At 31 March 2008	–	1,182	981	80	2,243
<b>Net book value</b>					
<b>At 31 March 2008</b>	<b>114,028</b>	<b>2,629</b>	<b>4,315</b>	<b>66</b>	<b>121,038</b>
<b>At 31 March 2007</b>	<b>13,344</b>	<b>1,412</b>	<b>2,143</b>	<b>2,119</b>	<b>19,018</b>

The ODA owns the freehold of land at Stratford that has nominal value.

## 9 Intangible fixed assets

	Software Licences £'000
<b>Cost or valuation</b>	
At 1 April 2007	833
Additions	2,711
Disposals	(27)
At 31 March 2008	3,517
<b>Depreciation</b>	
At 1 April 2007	146
Charge	727
Disposals	(18)
At 31 March 2008	855
<b>Net book value</b>	
<b>At 31 March 2008</b>	<b>2,662</b>
<b>At 31 March 2007</b>	<b>687</b>

## 10 Loans

	2007-08 £000	2006-07 £000
Loans	4,250	-

The loan was advanced in order to progress and maintain the programme for the delivery of the Olympic Village up to the point that the contractual arrangements become unconditional, at which point it becomes repayable. The loan accrues interest at 1.5% above Barclays Base Rate. The loan was approved by the Olympics Minister.

## 11 Debtors

### 11(1) Debtors analysis

	2007-08 £'000	2006-07 £'000
Olympic Lottery Distributor	-	22,111
Prepayments and accrued income	7,981	4,438
Other debtors	3,299	45
	<b>11,280</b>	<b>26,594</b>

There are no amounts due after more than one year (2006-07: £1,537,000)

### 11(2) Intra-Government balances

	Due within one year		Due after more than one year	
	2007-08 £'000	2006-07 £'000	2007-08 £'000	2006-07 £'000
Balances with other central government bodies	428	22,116	-	-
Balances with local authorities	2,840	-	-	-
Intra-government balances	3,268	22,116	-	-
Balances with bodies external to government	8,012	2,941	-	1,537
	<b>11,280</b>	<b>25,057</b>	<b>-</b>	<b>1,537</b>

## Notes to the Accounts continued

### 12 Creditors

#### 12(1) Amounts due within one year

	2007-08 £'000	2006-07 £'000
Trade creditors	28,321	680
Corporation tax	507	245
Other taxes and social security costs	445	822
VAT payable	14,808	1,450
Other creditors	136	450
Accruals	105,017	48,596
	<b>149,234</b>	<b>52,243</b>

#### 12(2) Amounts falling due after more than one year

	2007-08 £'000	2006-07 £'000
Retentions	–	4,090

#### 12(3) Intra-Government creditors

	Due within one year		Due after more than one year	
	2007-08 £'000	2006-07 £'000	2007-08 £'000	2006-07 £'000
Balances with other central government bodies	18,530	2,617	–	–
Balances with local authorities	109	4	–	–
Intra-government balances	18,639	2,621	–	–
Balances with bodies external to government	130,595	49,622	–	4,090
	<b>149,234</b>	<b>52,243</b>	<b>–</b>	<b>4,090</b>

### 13 General Reserve

	2007-08 £'000	2006-07 £'000
Balance at 1 April	(25,188)	–
Grant in Aid received	235,903	52,672
Net assets transferred from London Development Agency to the ODA	–	5,836
Deficit for the year	(269,275)	(83,696)
<b>Balance at 31 March</b>	<b>(58,560)</b>	<b>(25,188)</b>

As Grant in Aid is recognised on a cash basis a deficit arises reflecting the extent to which accruals and creditor movements exceed the ODA cash expenditure for the year.

### 14 Capital Reserves

The capital reserves reflect the net book value of assets where funds have been donated to the ODA.

	OLD		GLA	
	2007-08 £'000	2006-07 £'000	2007-08 £'000	2006-07 £'000
Balance at 1 April	10,584	–	6,766	–
Additions during the year	12,243	11,104	40,140	6,766
Release to Income and Expenditure Account	(2,636)	(520)	–	–
<b>Balance at 31 March</b>	<b>20,191</b>	<b>10,584</b>	<b>46,906</b>	<b>6,766</b>

## 15 Commitments

Capital commitments	2007–08 £'000	2006–07 £'000
Contracted capital commitments at 31 March 2008 for which no provision has been made.	710,658	17,070

### Other commitments

The ODA has entered into an insurance contract for the duration of the construction phase and is committed to pay premiums totalling £22,000,000 at various dates between 2008 and 2012.

## 16 Commitments under leases

### Operating leases

Commitments under operating leases to pay rentals during the year following the year of these accounts are given in the table below, analysed according to the period in which the lease expires.

	2007–08 £'000	2006–07 re-stated £'000
<b>Land and buildings</b>		
Expiry within 1 year	–	–
Expiry after 1 year but not more than 5 years	1,396	1,339
Expiry thereafter	–	–
<b>Other</b>		
Expiry within 1 year	5	9
Expiry after 1 year but not more than 5 years	55	5

## 17 Contingent liabilities disclosed under FRS 12

There were no contingent liabilities at 31 March 2008 (2006–07: nil).

## 18 Contingent liabilities not required to be disclosed under FRS 12 but included for parliamentary reporting and accountability purposes

In the event that the Orient Way rail siding is relocated to the Lea Interchange bus depot site in fifteen years time, part of the cost would fall upon the ODA's successor body.

## 19 Related party transactions

The ODA is a non-departmental public body sponsored by the Department for Culture, Media and Sports (DCMS). The Olympic Lottery Distributor is also sponsored by DCMS and is considered to be a related party.

The ODA has a close working relationship with the London Organising Committee for the Olympic Games (LOCOG).

The ODA has a close working relationship with the London Development Agency (LDA). The ODA has novated contracts from the LDA and carries out work on its behalf.

The ODA is aware of the following related parties in relation to its Main Board and Planning Committee:

### Main Board

John Armit is a Council Member of Lloyds Register of Shipping and an Adviser to Price Waterhouse Coopers.

Sir Roy McNulty is the Chairman of the Civil Aviation Authority (CAA) and Vice-President of the Engineering Employers Federation. During the year, the CAA recharged the ODA £32,548 (2006–07: £26,320) in relation to his expenses.

Neale Coleman is an employee of the Greater London Authority.

Christopher Garnett is a member of the Board of Transport for London.

Stephen Duckworth has acted as an advisor to Hedra.

Sir Peter Mason is the Chairman of Thames Water.

Sir Nicholas Serota is a Director of Tate Enterprises Ltd.

## Notes to the Accounts continued

### Planning Committee

Four members of the Planning Committee are members of four London Boroughs.

Member	Borough
Cllr Conor McAuley	London Borough of Newham
Cllr Rofique Ahmed	London Borough of Tower Hamlets
Cllr Geoff Taylor	London Borough of Hackney
Cllr Terry Wheeler	London Borough of Waltham Forest

Celia Carrington is related to a partner at Grant Thornton.

Janice Morphet acts as a consultant to DLA Piper and Colin Buchanan Planning Consultants.

### Executive Management Board and Senior Managers

The Head of Sustainable Development and Regeneration, Daniel Epstein, is married to a director of Thomas Matthews.

The Head of Health & Safety, Lawrence Waterman, is the Non-Executive Chairman and a shareholder in Sypol Ltd.

### Transactions with related parties

Financial Reporting Standard number 8 (FRS 8), 'Related Party Disclosures', requires the ODA to provide information on its transactions with related parties, and further guidance has also been given by HM Treasury. As well as grants received which are disclosed in Note 2 the following charges were made to and from the ODA by related parties.

Related Party	Charges to the ODA £'000	Charges from the ODA £'000
LOCOG	10,878	469
London Development Agency	2,215	81,958
Greater London Authority	211	–
London Borough of Newham	318	61
London Borough of Tower Hamlets	71	–
London Borough of Hackney	3	–
London Borough of Waltham Forest	56	–
Lloyds Register	1	–
Price Waterhouse Coopers	46	–
Engineering Employers Federation	1	–
Hedra	2,216	–
Transport for London	4,717	–
Thames Water	563	–
Tate Enterprises Ltd	2	–
Grant Thornton	421	–
DLA Piper	1,722	–
Colin Buchanan Planning Consultants	8	–
Thomas Mathews	13	–
Sypol Ltd	110	–

The ODA has a licence from the London Development Agency (LDA) that enables the ODA to occupy and develop the land in the Olympic Park subject to specific limitations. The licence fee is disclosed as a lease payment in Note 16.

CLM was incorporated to act in concert with the ODA to achieve the ODA's objective of delivering the Games venues and infrastructure. CLM has no other business except that of acting as the Delivery Partner to the ODA. Although the ODA has significant influence over the operating activities of CLM, it is not a subsidiary of the ODA within the definition of Financial Reporting Standard 2: Accounting for Subsidiary Undertakings.

The ODA paid a total of £87,563,000 (2006–07: £18,118,000) to its Delivery Partner. This expenditure was allocated as follows:

	2007–08 £'000	2006–07 £'000
Programme	37,458	1,055
Programme management	50,105	17,063
	<b>87,563</b>	<b>18,118</b>
Of which, capitalised to assets under construction	13,580	769

Programme management includes enhanced profit payments of £16,133,000 (2006–07: nil).

## 20 Special Payments

As required by the Accounts Direction, the ODA must summarise all losses and special payments made during the financial year. During the course of the financial year the ODA made one special payment for £64,000 (2006–07: £388,000). This is included in the staff costs in Note 5.

## 21 Interim Olympic Delivery Authority

Before the ODA was brought into existence by the Act, a number of Games related and regeneration activities had to be undertaken. These were carried out by a separate division of the London Development Agency (LDA) known as the Interim Olympic Delivery Authority (iODA). The iODA was not a separate legal entity.

On 18 February 2007, the assets and liabilities of the iODA were transferred from the LDA to the ODA and the contracts being undertaken by the iODA were novated to the ODA.

The assets and liabilities of the iODA were transferred to the ODA at nil cost and revalued in the ODA's Accounts. The net asset value of £5,836,000 was recognised as a gain and taken to the General Reserve in 2006–07.

## 22 Post Balance Sheet Events

There were no Post Balance Sheet Events up to the date the financial statements were approved for issue, which was 9 July 2008.

## Accounts Direction

### **Accounts Direction given by the Secretary of State for Culture, Media & Sport with the consent of HM Treasury in accordance with paragraph 18(2)(e) of Schedule 1 to the London Olympic Games and Paralympic Games Act 2006**

1. This direction applies to the Olympic Delivery Authority (the 'ODA').
2. The ODA shall prepare accounts for the financial year ended 31 March 2007 (and subsequent financial years) in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury ('the FReM') which is in force for the financial year for which the accounts are being prepared.
3. The accounts shall be prepared so as to:
  - a. give a true and fair view of the state of affairs at 31 March 2007 and subsequent financial years, and of the income and expenditure, total recognised gains and losses and cash flows for the financial year then ended;
  - b. provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them; and
  - c. provide any other specific disclosures required by the Secretary of State.
4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed with the Department for Culture, Media and Sport and with HM Treasury.
5. Schedule 1 to this direction gives details of the additional disclosure requirements of the Secretary of State for Culture, Media and Sport.

## Schedule 1

### Additional disclosure requirements of the Secretary of State for Culture, Media and Sport

1. The Statement of Internal Control shall follow Treasury guidance on format and content. In addition to Treasury requirements, the opening paragraph shall include explicit reference to systems to ensure compliance with the provisions of the ODA's Management Statement and Financial Memorandum. A suggested wording would include the following:  
  
    'As Accounting Officer, I have responsibility for maintaining a sound system of internal control that:  
  
    – supports the achievement of the ODA's objectives whilst;  
    – safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting; and  
    – ensuring compliance with the requirements of the ODA's Management Statement and Financial Memorandum.'
2. The Statement of Internal Control should also include coverage of the processes applied in reviewing the effectiveness of the system of internal control to ensure compliance with the requirements of the ODA's Management Statement, Financial Memorandum.
3. This direction shall be reproduced as an appendix to the annual accounts.
4. The Notes to the accounts shall provide an analysis of funding by funder and make clear the accounting treatment of funds.
5. The Notes to the accounts shall disclose expenditure incurred on the Delivery Partner.
6. Other notes to the accounts shall provide an analysis of the ODA's administration costs showing, for example the following information:
  - a. the average number of persons employed calculated on the basis of full-time equivalents;
  - b. employee costs during the year showing separately:
    - i. Wages and salaries,
    - ii. Early retirement costs,
    - iii. social security costs;
    - iv. contributions to pension schemes;
    - v. agency or temporary staff costs;
  - c. an analysis of remuneration and expenses of ODA Board members.

---

A summarised version of this publication is available on request in other languages and formats. To obtain a copy please quote reference number ODA2008/040.

Email: [enquiries@london2012.com](mailto:enquiries@london2012.com)

Phone: 0203 2012 000

---

## Olympic Delivery Authority

---

The construction of the venues and infrastructure for the London 2012 Games is funded by the National Lottery through the Olympic Lottery Distributor, the Department for Culture, Media and Sport, the Mayor of London and the London Development Agency.



**MAYOR OF LONDON**



Printed in the UK for The Stationery Office Limited  
on behalf of the Controller of Her Majesty's Stationery Office  
ID5849888 07/08

Printed on Paper containing 75% recycled fibre content minimum.



Children's design displayed along Hackney Wick towpath hoardings.

**Olympic Delivery Authority**

23<sup>rd</sup> Floor, One Churchill Place  
Canary Wharf, London E14 5LN  
Reception +44 (0) 203 2012 000  
Fax +44 (0) 203 2012 001  
www.london2012.com

Published by TSO (The Stationery Office) and available from:

**Online**

[www.tsoshop.co.uk](http://www.tsoshop.co.uk)

**Mail, Telephone Fax & E Mail**

TSO  
PO Box 29, Norwich, NR3 1GN  
Telephone orders/General enquiries 0870 600 5522  
Order through the Parliamentary Hotline Lo Call 0845 7 023474  
Fax orders: 0870 600 5533  
E mail: [customer.services@tso.co.uk](mailto:customer.services@tso.co.uk)  
Textphone: 0870 240 3701

**TSO Shops**

16 Arthur Street, Belfast BT1 4GD  
028 9023 8451 Fax 028 9023 5401  
71 Lothian Road, Edinburgh EH3 9AZ  
0870 606 5566 Fax 0870 606 5588

**The Parliamentary Bookshop**

12 Bridge Street, Parliament Square,  
London SW1A 2JX

TSO@Blackwell and other Accredited Agents

ISBN 978-0-10-295649-8



9 780102 956498