A lot more remains to be done beyond the initial Olympic investment to create sustainable communities in East London

Anne Power explores the impact of the Games on the development of East London communities and notes many positive initiatives already in place. One issue that she argues needs to be tackled in order to achieve a truly successful Olympics legacy is in supplying jobs for local people, particularly for young people.

London won the bid to host the 2012 Olympic Games against high odds. A rich, over-developed, global financial capital should not need the kudos, investment, extravagant infrastructure that the Games bring. But London played the community card confidently and won.

The East End, where the Olympic Games are hosted, is extremely poor in an extremely wealthy and unequal city. It has large empty spaces, unlike the rest of London, following the collapse of London’s docks and older industries. It has a fast-growing, low-skilled, under-employed population. Hastily built council housing estates are everywhere and its ever-growing concentration of ethnic minorities from all over the world crowd into often small flats.

The Games themselves will certainly not change this situation quickly, if at all. Cities evolve slowly, and the poverty of the East End has remained entrenched throughout the twentieth century, in spite of countless waves of hopeful regeneration. The Olympics will offer no magic bullet. If anything, after the razzmatazz of the actual Games, there will be a deep sense of anti-climax. Cash will be desperately short, both public and private, and the post-Olympic development sites will progress painfully slowly. The short-term Olympic jobs will go, and youth unemployment, extremely high among the East End’s youthful population, may stay stubbornly at double the London average. Many of the new enterprises arising during the investment period of the Games may struggle to survive.

Crystal ball gazing is no substitute for the concrete legacy already mostly in place. The custodians of the Olympic bid promises are responsible for a unique experiment in post-Olympic community building. The Olympic village of 2800 new homes is already there, built to almost the highest environmental and energy-saving standards, determined by the Code for Sustainable Homes. A unique partnership between two large East London charitable housing associations and an experienced London developer has formed a new company, Triathlon, which will own and manage all the social and affordable homes in the post-Olympic village. Qatari investors bought the entire village site and helped determine that all private as well as ‘social’ homes in the Village will be for rent. This should help integration, but it also means that tight management conditions will apply to all tenancies, particularly in the use of communal courtyards and other facilities. Enforcement of standards, including a ‘good neighbour agreement’ which all tenants must abide by, will ensure the high standards demanded by up-market tenants are retained.

An exciting and challenging addition to the village will be the new academy school, taking children from nursery age right through to college. Unlike most large new developments, the school will be ready before the homes are let, to counter the intense pressure on school places in youthful Newham, and to encourage families to move in. The academy will potentially make a huge contribution to integrating the site. However there are doubts about whether it will really work this way. Firstly, the school will open before the homes in the village have been converted and let, so the first intake of children will not be local. This could set a difficult pattern of ‘imported’ children getting the ‘prize’ education while ‘village locals’ find themselves excluded. Secondly, social housing in the village is mainly family-size, whereas high-cost private renting will mainly house childless professionals and occasional ‘pied-a-terre’ tenants. So the school may not be very mixed at all. Thirdly, there is the vexed question of ‘creaming off’ children
from other surrounding schools attracted by new facilities and the fame of the new academy. This would be a sorry outcome for Newham, which has worked tirelessly over the last ten years to push up its educational standards, now above the national average in grade A*-C GCSE attainment across the borough. This is a phenomenal achievement, to the great credit of teachers, heads, the borough council and government policy, which funded the rebuilding of half of Newham’s secondary schools, pushed literacy and numeracy relentlessly, and argued, alongside Newham’s dynamic mayor, that no child should be allowed to fail.

The great Achilles heel of the Olympic legacy is jobs for local people, particularly for young people. Trouble is rarely far away when children who are inspired to achieve at school find a blank future facing them when they leave. Very few of the thousands of Olympics jobs went to locals, and very few of these will survive. Training arrived spasmodically and many hurdles stood between capable but unconfident locals and the stiff competition of an international job market.

So thinking caps need to be firmly on heads. The London Legacy Development Corporation was deliberately renamed to make it clear that post-Olympics, it must be London that gains, not just the Olympic area. It is ‘obsessed with apprenticeships’, as is Triathlon, but a very big push will be needed to shift endemic joblessness. Newham Council is hoping that a combination of benefit changes, new work incentives, improved social performance, and close working relations with employers and residents will ‘hand hold’ people into work. Five thousand local people have already got local jobs this way, not counting the short-term Olympic jobs – another twenty thousand to go just to reach the London average. Where will these jobs come from? Immediately there’s the conversion of the Olympic village from short-term athletes’ rooms into more home-like family flats. There’s the long-term management, caretaking and repair of the village, and also the park, the swimming pool and other facilities. There are also many part-time and back up jobs in the academy, new health and community centres.

If the legacy site alone is managed properly for the long term, then not only does it create direct jobs but spills over into other enterprises. Of course there is the hope – and plan – that up to ten post-Olympic villages will be built. Right now the pace is extremely slow. A lot depends on how the immediate legacy works and whether opportunities do emerge to lift the local population out of poverty.

Possibly the biggest long-term hope lies in the new transport connections around Stratford. Residents can now easily access a much bigger job market, and East London is more accessible for investors. Growth and change may be slow and the current financial troubles may work against the delivery of the full legacy. But several of the building blocks are in place in the Olympic area to foster better futures for local communities. Only a local and national drive to reduce inequality, create local job opportunities at the bottom, and maintain the assets of the Olympic Games is likely to have a lasting effect. We have to remember even this will benefit a few thousand, rather than a few hundred thousand. A lot more remains to be done than is in place – so keep working at it.

Note: LSE Housing and Communities is carrying out research into the long term impact of the London Olympics on deprivation in the London Borough of Newham.

Note:  This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our comments policy before posting.

About the author

Anne Power is Professor of Social Policy & Head of LSE Housing and Communities.

You may also be interested in the following posts (automatically generated):

1. The impact of the Olympics: making or breaking communities in East London (40)
2. Olympic Transport Challenge: London may not be able to withstand up to 3 million more transport users a day (28.7)
3. The average cost overrun for producing the Olympic Games has been more than 200% since 1976 (21)
4. Olympic reading list: everything you need to know about the history, legacy and risk of the Games (21)