



The Thomas Consultancy



London Olympics 2012

1. The total construction spend on the Games is forecast to be c£10bn - £7.5bn on transport, £1bn on infrastructure and £1.5bn on stadia.
2. The transport budget includes a number of schemes which had already been planned. It is part of a £16bn programme which encompasses extensions and enhancements on the DLR, East London and Jubilee Lines as well as the refurbishment of all London underground stations.
3. The main activity will be centred on the 500 acre site in Stratford, which will include the Olympic Village, Olympic Stadium, Media Centre, Aquatics Centre, Velopark and Hockey Centre.
4. There will be other venues around London and elsewhere, including temporary facilities. Training and holding camps are expected to be located around the country.
5. There are two key bodies:
 - London Organising Committee for the Olympic Games (LOCOG) will organise, publicise and stage the Games themselves – “the show”. They will let most of the contracts for services to deliver and stage the games, with an operating budget of £1.5bn
 - The Olympic Delivery Authority (“ODA”)'s role is to deliver the venues, infrastructure and transport – “the facilities” - and will let the majority of the contracts for the infrastructure, transport and construction of the Olympic Park under the £10bn capital budget.
6. The ODA has appointed a Delivery Partner, responsible for managing the delivery programme for the venues and infrastructure for the London games. The winning CLM consortium consists of Laing O'Rourke, American outfit CH2M Hill International and Mace. It also includes Davis Langdon. Their total fees are expected to exceed £100m.
7. The contract for the Olympic Stadium has now been publicised and the Olympic Village is part of the adjoining Stratford City development. Other stadia and venues will be publicised via an open procurement strategy, using the OJEU process, over the 2006-7 period.
8. The main construction period will be 2007-11. D&B is expected to be the favoured route for the stadia and the ODA is committed to using NEC3 suite of contracts to procure all fixed assets and infrastructure for the Games.
9. Sustainability and legacy are fundamental philosophies which pervade the plans for the Games, drawing on the experience of predecessors (notably Athens).
10. The authorities are keen to ensure that it is not just the major firms who benefit from the construction activity and steps are being taken to bring SMEs (small and medium size enterprises) into the loop. Firms should register on www.london2012.com/business to find out about tender opportunities. Business clubs are being set, with regional involvement through RDAs.

