

This case study examines the general implications of the planned public sector cuts for the 2012 Games and then focuses on the specific issue of funding the 'torch procession'.

The New Lib Dem – Conservative Coalition Cuts London 2012 Olympic Budget by £27m

The financial crisis experienced by Great Britain defines the acts of politicians in 2010 – none more so that during the recent elections that saw Nick Clegg and the Liberal Democrats play kingmaker to Cameron's Tories. The subject of the economy dominated political manoeuvring, canvassing, debating and policy making, and the country has been bracing itself for savage and unrelenting cuts over the next few months and years.

The emergency budget did not make an exception of the Olympic Games, as Chancellor George Osborne made it very clear that the London 2012 budget would be cut by a total of £27m. Critics baulked at the cuts, stating that they would lower the quality of the Olympic Park. For example, the London Assembly's Budget Chairman John Biggs commented that the Olympic cuts may lead to 'less gold plate' on the Olympic Park. But such an argument comes at the same time as crucial cuts to public services have also been announced, and it is hard to imagine that the Olympic Park would achieve preference for funding for crucial educational or hospital-related projects.

The Chancellor has earmarked a total of £88m to be clawed back from the Department for Culture, Media and Sport, of which roughly a third will be represented by the funding cuts for the 2012

Games. The London Assembly's budget chairman John Biggs voiced concern that: "£27m is a small amount in the overall budget (of £9bn), but it is a significant amount to come from this year's budget, which is around £1bn". Reassuringly, however, the Minister for Sport and the Olympics, Hugh Robertson, said: "The Government remains 100% committed to delivering London 2012 on time and to budget... However, given the economic position, no part of government can be immune. We have, therefore, agreed with the ODA that £27 million of savings can be delivered without compromising the project." In reality, £27m constitutes only 2% of the ODA's overall budget for 2010-11.

UK Sport Cuts

No DCMS funded body remains safe from cuts, meaning that UK Sport – the body that funds elite level UK sport - will also receive a cut of just under £2m ahead of the next review in March 2011. UK Sport have clarified that required savings forced by the funding cut will not be extracted from funding assigned to London 2012. However, they insist this cash will not be saved on the money set aside for funding sports ahead of the 2012 Games.

Spending Cuts and the Olympic Torch: Somerset County Council

With regard to a much-publicised Olympic event, a spokesman for Somerset County Council recently remarked that '...we could not commit taxpayers' money to such an event'. But what was he referring to, and why would a Council opt out of the Olympics? Somerset County Council has decided not to bid to host part of the Olympic torch relay. The torch will travel the length and

breadth of the UK ahead of the London 2012 Olympics. But a spokesman said the Conservative council could not commit taxpayers' money to the sizeable budgetary requirement of £315,000 that would be required to subsidise the sizeable cost of road closures and managing traffic.



As Tory cabinet member David Huxtable commented wisely: £315,000 could actually pay for half of a primary school. A county council spokesman said: "Somerset County Council has chosen not to bid for this event at this stage. We would be surprised if any of our neighbouring authorities would bid for the route."

Criticisms of the Decision

If upheld, the decision by Somerset to decline the Torch relay would force LOCOG to divert their route around the region, and instead travel via the neighbouring county of Dorset. This might arguably be a really positive choice as Dorset is hosting the sailing events.

Whilst some people support the decision of Somerset, some are let down by the decision. Former Council Chairman Alan Gloak commented that the Council saw fit to invest in a new Cabinet

Office that was built at around the same cost that the Torch relay would require, and that notable cost savings had been made on lowering of Chief Executive salary costs by an approximate £340,000.

However, Councillor David Huxtable, who took the advice to reject the Torch relay, considers his decision to be well versed, after seeking the advice of officers and thoroughly considering previous costs incurred by Somerset as a result of hosting part of the Tour of Britain cycling route in 2009. He is confident that he has made the right decision.

How Does LOCOG Feel About This?

The organisers of London 2012 have a vision that the torch will travel through places of cultural, historical and sporting significance throughout the UK. All areas of the UK have subsequently been invited to participate in the torch relay, which will involve around 8,000 people.

A London 2012 spokeswoman said: "Should Somerset County Council have concerns, there is plenty of time to discuss and work through any issues they may have."

It remains to be seen whether Somerset will catch Olympic fever closer to 2012 and decide to join the Torch Relay route, or whether they will hold firm in their commitment.

FIND OUT MORE

Who's In Charge? The Local Government Quango Report Card.

<http://www.lga.gov.uk/lga/aio/5592215>

Bertelli, A. (2006). **The Role of Political Ideology in the Structural Design of New Governance Agencies.** Public Administration Review. Vol. 66, 4.

National Archives Government Treasury Archives

[http://webarchive.nationalarchives.gov.uk/20100407010852/http://www.hm-](http://webarchive.nationalarchives.gov.uk/20100407010852/http://www.hm-treasury.gov.uk/budget2010.htm)

[treasury.gov.uk/budget2010.htm](http://www.hm-treasury.gov.uk/budget2010.htm)

HM Treasury June 2010 Budget

[http://www.hm-](http://www.hm-treasury.gov.uk/2010_june_budget.htm)

[treasury.gov.uk/2010_june_budget.htm](http://www.hm-treasury.gov.uk/2010_june_budget.htm)

Somerset County Council Cabinet Key Decision Taken by the Cabinet Member for Resources. 24th March 2010.

<http://www1.somerset.gov.uk/council/portfolio%2015/2010%20March%2024%20Olympic%20Torch%20Decision%20Report.pdf>



Image created by [Duncan](#) and reproduced under a [Creative Commons licence](#).

CREDITS

© Oxford Brookes University 2010. oxb:060111:023DD

This resource was produced as part of the [2012 Learning Legacies Project](#) managed by the HEA Hospitality, Leisure, Sport and Tourism Subject Centre at Oxford Brookes University and was released as an Open Educational Resource. The project was funded by HEFCE and part of the JISC/HE Academy UKOER programme. Except where otherwise noted above and below, this work is released under a [Creative Commons Attribution only licence](#).



Exceptions to the Licence

The name of Oxford Brookes University and the Oxford Brookes University logo are the name and registered marks of Oxford Brookes University. To the fullest extent permitted by law Oxford Brookes University reserves all its rights in its name and marks, which may not be used except with its written permission.

The JISC logo is licensed under the terms of the Creative Commons Attribution-Non-Commercial-No Derivative Works 2.0 UK: England & Wales Licence. All reproductions must comply with the terms of that licence.

The Higher Education Academy logo and the HEA Hospitality, Leisure, Sport and Tourism Subject Centre logo are owned by the Higher Education Academy Limited and may be freely distributed and copied for educational purposes only, provided that appropriate acknowledgement is given to the Higher Education Academy as the copyright holder and original publisher.



Reusing this work

To refer to or reuse parts of this work please include the copyright notice above including the serial number. The only exception is if you intend to only reuse a part of the work with its own specific copyright notice, in which case cite that.

If you create a new piece of work based on the original (at least in part), it will help other users to find your work if you modify and reuse this serial number. When you reuse this work, edit the serial number by choosing 3 letters to start (your initials or institutional code are good examples), change the date section (between the colons) to your creation date in ddmmy format and retain the last 5 digits from the original serial number. Make the new serial number your copyright declaration or add it to an existing one, e.g. 'abc:101011:023dd'.

If you create a new piece of work or do not wish to link a new work with any existing materials contained within, a new code should be created. Choose your own 3-letter code, add the creation date and search as below on Google with a plus sign at the start, e.g. '+tom:030504'. If nothing comes back citing this code then add a new 5-letter code of your choice to the end, e.g.; ':01lex', and do a final search for the whole code. If the search returns a positive result, make up a new 5-letter code and try again. Add the new code your copyright declaration or add it to an existing one.