

News Release

For immediate release

Olympic Stadium ripoff ‘hammers’ charities into the turf

The extent to which West Ham United and its owners are set to profit from the Olympic Stadium was revealed this week when the London Legacy Development Corporation (LLDC) was forced to publish, in full, the terms of the 99 year lease. However, the stadium was also effectively supported by tens of thousands of Britain’s charities, which had lottery funding siphoned away to support the Games.

Under what has been described as the ‘business deal of the century’, West Ham United will pay LLDC just £2.5m per year to use the stadium – despite the club having an annual income of over £115m.

Organisations such as the Taxpayers’ Alliance have criticised the use of tax revenues to finance the deal – but the National Lottery also contributed massively to the London Olympics. The construction of the stadium and other venues was only made possible after the Labour government, facing a massive shortfall in funding for the Games in 2007, raided an additional £425 million from the Big Lottery Fund, which makes grants to thousands of small charities and community groups around the country.

At the time, the government made a commitment to repay the money after the Olympics by selling off Olympics assets. Yet nearly four years on from 2012 this has still not taken place, with government ministers repeatedly holding to the line that refunds may take until 2030. This commitment has been reaffirmed by successive governments, however no firm deadline has ever been set.. The lease terms for the Olympic Stadium, one of the most valuable assets on the park, do little to inspire hope that Government will live up to its commitment to reimburse charitable causes for the sacrifice they made for London 2012.

This is why the Big Lottery Refund campaign, run by the charity Directory of Social Change, has repeatedly called on the government to take on the role of creditor in the Olympics assets deal by repaying the Big Lottery Fund now, against future income from the sale of assets. The campaign says this will ensure the 10,000 charities that have lost much needed funding since the raid of 2007 will be able to support some of the most vulnerable people in society.

Commenting on the recent revelations, Jay Kennedy, Director of Policy and Research at the Directory of Social Change, said ‘recently revealed taxpayer subsidies for the future tenants of the Olympic Stadium are just the tip of the iceberg – it’s far worse than that. Hundreds of millions in lottery good causes cash was raided from charities and plowed into the London Games – to support key infrastructure like the stadium.’

‘It’s a financial sleight-of-hand that Mossack Fonseca could hardly have conceived. Money that should have funded tens of thousands of charitable causes across the UK has wound up

subsidising the profits of wealthy Premier League club owners and the salaries of multi-millionaire players. You could even say that the Big Lottery Fund deserves the naming rights for the new stadium – after all over the next 99 years West Ham will pay back less to the LLDC than the amount of lottery cash that was taken from Big for the Olympics. Government needs to act now to put an end to this complete and utter travesty – and pay £425 million back to the Big Lottery Fund immediately.’

For more information please contact Ciaran Price, Directory of Social Change by email (cprice@dsc.org.uk) or phone (020 7697 4295, 0795 155 3292).

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Notes to editors:

- Founded in 1974, the Directory of Social Change (DSC) is a national charity which supports an independent voluntary sector through campaigning, training and publications. DSC is the largest supplier of information and training to the voluntary sector, and its work helps tens of thousands of organisations every year achieve their aims. Learn more at www.dsc.org.uk
- DSC runs the Big Lottery Refund campaign, supported by over 3800 charities and individuals. More information, including political and technical background, sign-up page, campaign actions for supporters, and other resources can be found at www.biglotteryrefund.org.uk