Outrage as new evidence shows charities won't be paid back until 2050s for 2012 Olympics lottery raid

Monday 18 March, 2019

New correspondence between Steve Reed MP and Civil Society Minister Mims Davies MP seen by the Directory of Social Change indicates that hundreds of millions of pounds raided from charities and community groups to build infrastructure on the Olympic Park may take decades longer to be repaid than repeated Government statements have claimed.

Hundreds of millions in lottery cash destined for charities and communities across the country has basically wound up lining the pockets of property developers, construction companies and football barons.

After £675m in lottery cash was siphoned off from good causes to support the London Games, an agreement was reached between the Government and the Greater London Authority to refund this cash after the Games by selling assets on the Olympic Park. £425 million of the total was taken from the Big Lottery Fund (now the National Lottery Community Fund), which makes grants to tens of thousands of small charities and community groups each year.

Statements from successive Ministers have claimed that asset sales would be ramping up in the 2020s and the lottery distributors could expect to be reimbursed by the '2030s'. That has never satisfied campaigners, but recent data provided by the London Legacy Development Corporation (LLDC), which is responsible for the Park, shows those promises to be worthless.

During a recent debate on charities and volunteers, Rushanara Ali MP reminded new Civil Society Minister Mims Davies MP about Government's commitment to pay back £425m taken from the Big Lottery Fund (now the National Lottery Community Fund). Money, that she says should go back to charities so that they can tackle pressing societal issues such as youth crime. She did not receive an answer as to when the money will be repaid.

Over a year ago it was revealed that 10 years after the 2007 raid on the Lottery to support the Games, just £57.5 million had been recouped from asset sales. Now the figures stand at £68.5m. This means that at least £356.5 million in the next five years would need to be paid back if the hollow promise of 'early 2020s' is to be believed. At the current rate, it could take until 2050 or longer.

Jay Kennedy, Director of Policy and Research at the Directory of Social Change, which leads the Big Lottery Refund campaign, said: 'This travesty has been going on for so long now we've had at least four different governments and too many ministers responsible to bother counting. Many of the accountable institutions aren't even called the same thing anymore. It's an outrage, but the latest news is sadly all too familiar. Still, we're not giving up. It's well past time a Government did the right thing, put this right and repaid the Lottery in full, today.'

Notes to editors:

- The Directory of Social Change (DSC) leads the Big Lottery Refund campaign, supported by almost 4000 charities, which calls for an immediate return of the raided lottery cash. Campaigners want Government to work with the LLDC to repay the money now, to fund tens of thousands of charities serving communities not just in London, but throughout the UK – from children's hospices in Scotland, to foodbanks in Wales or activities for isolated older people in the North East.
- In 2007 the government diverted £425 million from the Big Lottery Fund to help finance the ballooning costs of the Olympics, including construction of venues on the Olympic Park. Following outrage from charities and many MPs, including Theresa May at that time, the then Labour government pledged to repay the debt after the Olympics from the sale of Olympics assets – a pledge subsequently reaffirmed by successive coalition and Conservative governments.
- These assets are now owned by the London Legacy Development Corporation (LLDC), which is responsible for the redevelopment of the park. A legally-binding deal exists between the LLDC and the Government, to pay back first the Greater London Authority and then the Lottery Distributors with revenues from asset sales on the Olympic Park.

- 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 one of the

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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

- More information on the Big Lottery Refund campaign, including supporter sign-up page, background information, supporter views and case studies can be found at www.biglotteryrefund.org.uk
- Communities: Charities and volunteers, Volume 654, 13 February 2019.

- Olympic Games 2012: Written question – 109351, 24 October2017.

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