

# Commonwealth Games 2014

Third report



 ACCOUNTS COMMISSION

 AUDITOR GENERAL

Prepared by Audit Scotland  
March 2015




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- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

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- examine how public bodies spend public money
- help them to manage their finances to the highest standards
- check whether they achieve value for money.

The Auditor General is independent and reports to the Scottish Parliament on the performance of:

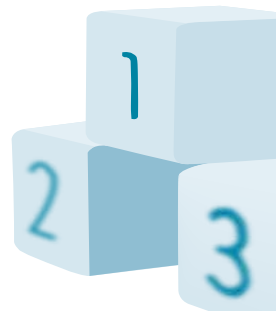
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- further education colleges
- Scottish Water
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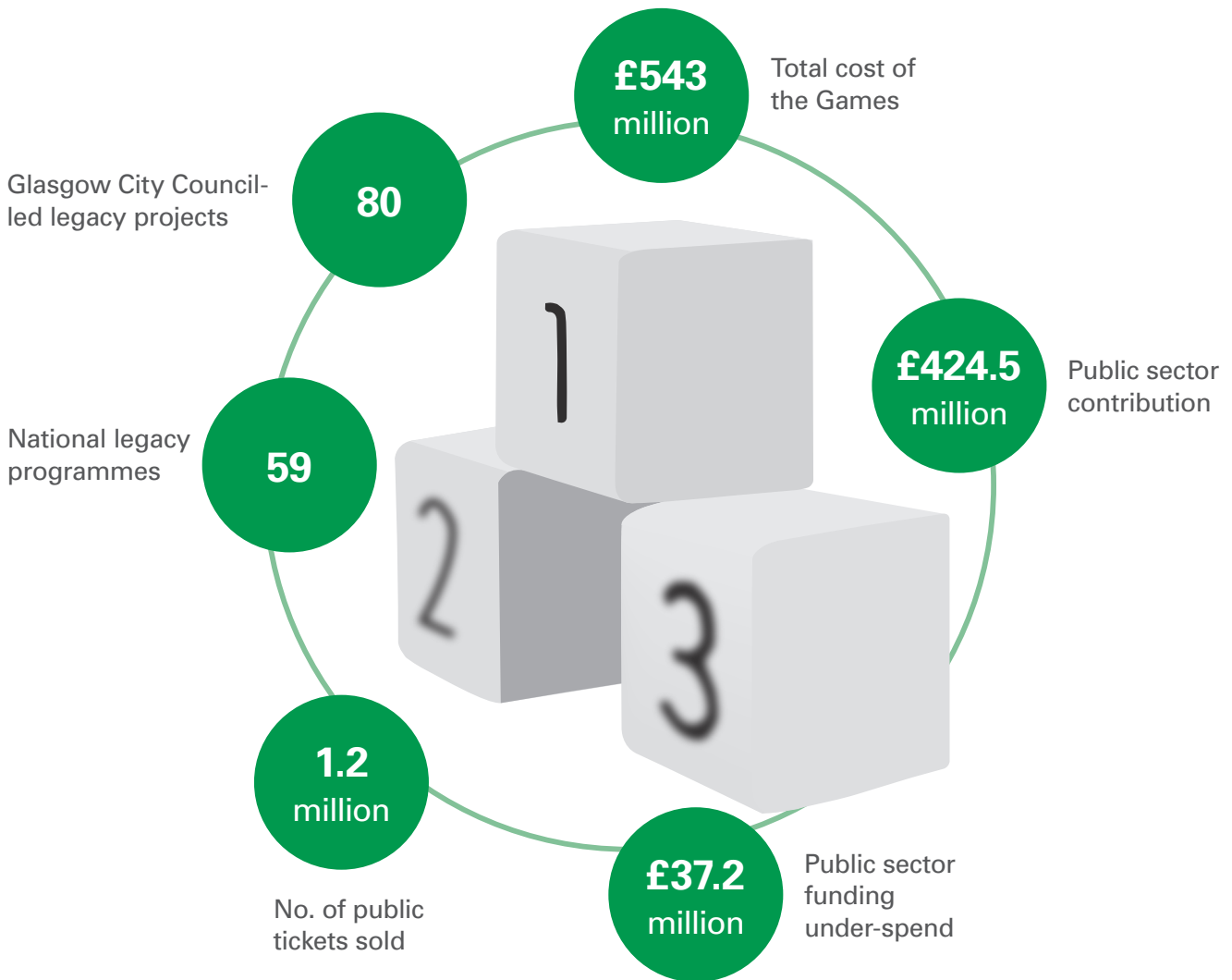
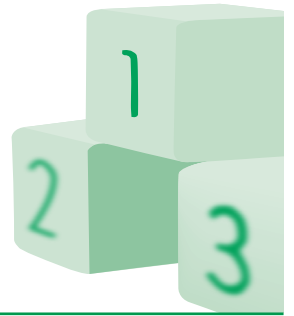
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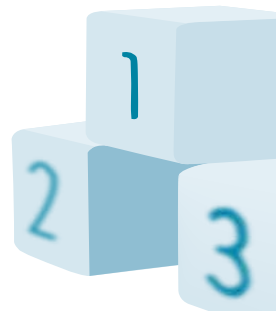
# Key facts



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# Summary

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## Key messages

- 1** The Commonwealth Games were a success for Glasgow and Scotland. Early evidence shows they were successful compared to estimates and previous Games. Around 1.2 million tickets were sold, over 4,800 athletes took part and Team Scotland achieved its best Games performance, winning 53 medals. Factors that contributed to the success of the Games were leadership and commitment, effective partnership working and early planning.
- 2** The Games were delivered successfully within budget. The Games cost £543 million, £32 million less than the agreed budget in November 2013. This includes £34 million from the operational contingency fund which was part of the total budget. The Organising Committee and Police Scotland demonstrated good financial control over their respective Games budgets.
- 3** The Scottish Government and Glasgow City Council provided £424.5 million towards the total cost of the Games, £37.2 million less than anticipated. The remaining costs of the Games were met from £118 million of income from ticket sales, sponsorship and other private sources. Costs to the rest of the public sector were minimised as a result of good planning for the Games to ensure business as usual.
- 4** The Scottish Government and Glasgow City Council planned early for legacy. They have established clear plans for realising legacy benefits from the Games at local, city-wide and national levels. Both the Government and Council have developed an evaluation framework and intend to monitor and report progress regularly up to 2019. Within this, a comprehensive set of indicators is in place. Legacy outcomes are affected by many external factors making it difficult to assess value for money. With ongoing pressures in public sector budgets it will be challenging for the Scottish Government and Glasgow City Council to ensure legacy benefits are achieved.

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the Games were delivered successfully and public funding was £37.2 million less than anticipated

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## Recommendations

### The Scottish Government and Glasgow City Council should:

- ensure that the Games evaluation due in 2015 specifically assesses the contribution to legacy outcomes to demonstrate, where possible, the impact of investment and value for money
- clarify and publicly report the costs and sources of funding attached to realising legacy benefits where possible
- disseminate the lessons learned from Games delivery and evaluation of legacy in order to inform future public sector projects, including lessons learned from:
  - partnership working
  - transport planning
  - safety and security planning
  - governance arrangements
- review the effectiveness of legacy governance arrangements by the end of 2015 to ensure they remain fit for purpose.

### The Scottish Government should:

- extend the analysis period of the GoWell longitudinal study beyond 2016 to at least 2026.

### All councils should:

- monitor and report to the appropriate council committee on the legacy impact in their own areas.

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## Background

1. Glasgow hosted the XXth Commonwealth Games (the Games) from 23 July to 3 August 2014. The Games were a major international sporting event for both Glasgow and Scotland. Over the 11 days of competition, 4,820 athletes from 71 Commonwealth countries and territories competed across 17 sports. The Games, including para-Games, were held across 16 venues and were watched by 1.3 million spectators and an estimated global TV audience of 1.5 billion.

2. The Games were the result of around ten years of planning that started almost three years before Glasgow's successful bid was announced in November 2007. In addition to organising and running a successful sporting event, the decision to bid to host the Games included a commitment to ensure the Games had a lasting legacy for the people of Scotland.<sup>1</sup> This covered both immediate and longer-term benefits. These include contributing to economic growth, regenerating the east end of Glasgow and improved health outcomes, such as promoting healthier lifestyles and exercise, assessed over the period from 2009 to 2019.

**3.** The Scottish Government, Glasgow City Council, Glasgow 2014 Ltd (the Organising Committee) and Commonwealth Games Scotland formed the strategic partners responsible for organising and running the Games. The partners signed a contract with the Commonwealth Games Federation to deliver the Games to an agreed standard. They also signed a Minute of Agreement in June 2008, which required them to work together to organise and run the Games. The partners established the Glasgow 2014 Strategic Group, chaired by the First Minister, to help them achieve this. While not a strategic partner, Police Scotland was responsible for the safety and security operation surrounding the Games and appointed a dedicated Deputy Chief Constable for this role. Other public bodies such as Scottish Fire and Rescue Service, Scottish Ambulance Service, sportscotland and EventScotland were involved in preparing for and running the Games.

**4.** In [2009 \[PDF\]](#) and [2012 \[PDF\]](#) we published updates on the progress of planning for the Games. These reports provided position statements on whether the strategic partners were on track to deliver the Games on time and budget. They also assessed the Scottish Government's and Glasgow City Council's plans to achieve a lasting Games legacy. Both reports also reviewed the costs of the wider infrastructure programme for the Games and we have not replicated those findings here. The first report, in November 2009, provided assurance that, at that stage, the strategic partners had made progress in key areas. It also identified risks and made recommendations for the strategic partners to strengthen their governance, financial management and programme management arrangements. Our 12-month impact report, in February 2011, following the 2009 report showed that the partners were implementing most of our recommendations.

**5.** In March 2012, we published our second report. It investigated whether planning for delivering the Games and their legacy was well organised, with good risk management processes, tight budgetary control and effective programme management. It was also intended to identify any high-level areas of concern at that stage and make recommendations, where appropriate, to help improve planning and management. The report identified the following four areas of risk which the strategic partners were managing:

- The cost of the security budget was at risk of increasing.
- The Athletes Village was due to be completed less than five months before the Games started and several risks could lead to delays and cost increases.
- The technically innovative nature of developments at Hampden Park presented a higher risk of delays and cost increases.
- The Organising Committee needed to increase staffing to ensure progress stayed on track.

**6.** Our subsequent impact report, in May 2013, again showed that the strategic partners had made progress against our recommendations. Partners had improved arrangements for managing and reviewing the Games budget. They had reviewed and streamlined governance arrangements, and improved how they managed risk.

### The Games budget was revised to £575 million in November 2013

**7.** In May 2013, we reported that the Games budget had increased from £524 million to £563 million.<sup>2</sup> This was mainly due to the security budget rising from £27 million to £90 million. This followed concerns raised in our March 2012 report and by the Commonwealth Games Federation's Coordination Commission (CoCom) in April 2012 that the security budget may not be enough. The strategic partners also considered security arrangements at the London 2012 Olympics before revising the security budget. The Scottish Government provided £38 million towards these additional security costs with the remaining funding (£25 million) allocated from the general contingency fund.

**8.** In November 2013, the Games budget increased by a further £12 million to £575 million. This increase was due primarily to increased private sector income from the success of the initial ticket sales programme and did not affect the public funding needed. The Strategic Group approved the revised budget as part of the Organising Committee's 2014 Business Plan. Movements in the Games budget since 2008 are outlined in [Exhibit 1 \(page 9\)](#).

**9.** The Scottish Government and Glasgow City Council were the main funding providers, committing up to £382 million and £80 million respectively, around 80 per cent of the total Games budget. The Organising Committee was responsible for raising the remaining 20 per cent through private income such as ticket sales, sponsorship and broadcasting rights. The Games budget included £70 million of contingency funding made available by the Scottish Government and Glasgow City Council to cover any unforeseen costs.

### About this audit

**10.** This audit is our third report on the Games. The overall aim was to answer the question: Was the Commonwealth Games 2014 delivered within budget and is it achieving value for money? The specific audit questions were:

- Was the Commonwealth Games delivered within the agreed budget?
- What were the additional costs to public bodies as a result of hosting the Games?
- What progress has been made to date towards achieving the lasting legacy benefits?

**11.** We examined the cost of the Games including comparisons with the approved budget. This included both the Organising Committee's budget for the Games as well as Police Scotland's budget for Games safety and security. We also sought to identify any additional costs to public bodies outwith the Games budget. Our review of legacy progress considered plans and arrangements by the Scottish Government and Glasgow City Council. This included plans to track, monitor and report on the benefits of hosting the Games.



## Exhibit 1

### Movements in the Games budget since 2008

The initial Games budgets in 2008 and 2009 did not include inflation (ie, real terms). This was a requirement of the bid process. In 2009, the budget increased largely due to increases in broadcasting costs and contingency allowances.

Budget	Approved budget 2008	Approved budget 2009
Core budget	333	374
Operational contingency	40	60
Special reserve contingency	-	20
<b>Total budget</b>	<b>373</b>	<b>454</b>
<b>Income</b>		
Scottish Government	238	296
Glasgow City Council	60	69
<b>Total public funding</b>	<b>298</b>	<b>365</b>
Commercial income	75	89
<b>Total income</b>	<b>373</b>	<b>454</b>

In May 2010, the Organising Committee presented budgets including inflation (ie, cash terms) to reflect planned spending in the year costs are incurred. The Games budget increased by £51 million since 2009 mainly due to an increase in the safety and security budget.

Budget	Restated approved budget 2009	Approved budget 2012 <sup>1</sup>	Approved budget 2013 <sup>2</sup>
Core budget	429	407	415
Operational contingency	71	42	46
Special reserve contingency	24	24	24
Safety and security budget	-	90	90
<b>Total budget</b>	<b>524</b>	<b>563</b>	<b>575</b>
<b>Income</b>			
Scottish Government	344	382	382
Glasgow City Council	80	80	80
<b>Total public funding</b>	<b>424</b>	<b>462</b>	<b>462</b>
Commercial income	100	101	113
<b>Total income</b>	<b>524</b>	<b>563</b>	<b>575</b>

#### Notes:

- Budget increase mainly due to additional safety and security costs. This £90 million budget was transferred to Police Scotland. Prior to 2012, a budget of £27 million for safety and security was included within the core budget.
- Budget increase partially due to more income from better-than-expected ticket sales. This was used to supplement the core budget and contingency funds (£7 million). The remaining £5 million was a technical accounting adjustment for some commercial costs that were previously netted off income. These were transferred to expenditure resulting in both income and expenditure increasing by the same amount.
- Figures subject to rounding.

Source: Audit Scotland

**12.** This report provides a position statement as at the end of December 2014. We recognise there may be further costs and savings incurred as a result of the dissolution process for the Organising Committee due for completion in spring 2015. We recognise that achieving the overall Games legacy is a longer-term process and that there continues to be a lot of activity in this area. We will keep the progress of delivering the Games legacy under review in our future work programme.

**13.** The report has three parts:

- [Part 1](#) Making the Games happen
- [Part 2](#) The cost of the Games
- [Part 3](#) The legacy of the Games.

**14.** Our findings are based on evidence from sources that include:

- interviews with senior officers in organisations such as the Organising Committee, Scottish Government, Glasgow City Council, Police Scotland and Commonwealth Games Scotland
- reviewing various documents we received from the Organising Committee, Scottish Government, Glasgow City Council and Police Scotland
- focus groups with representatives from local community groups in Glasgow
- analysing financial information on the costs of planning for and running the Games
- a high-level review of the methodology used for assessing the legacy benefits.

**15.** As part of the audit we reviewed commercially sensitive information. We used this information to help us form audit judgements and conclusions but we are unable to disclose it. Our commentary on these areas is therefore limited.

**16.** More detailed information on our methodology is in [Appendix 1](#). [Appendix 2](#) provides a list of members of our project advisory group who offered advice, challenge and feedback at important stages of the audit.

# Part 1

## Making the Games happen



### Key messages

- 1** The Commonwealth Games were a success for Glasgow and Scotland. Early evidence shows they were successful compared to estimates and previous Games.
- 2** Around 1.2 million tickets were sold, over 4,800 athletes took part and Team Scotland achieved its best Games performance, winning 53 medals. Glasgow and Scotland received significant media exposure online and through TV broadcasts. Importantly, the Games passed without any major safety or security problems.
- 3** Factors that contributed to the success of the Games were leadership and commitment, effective partnership working and early planning. Quick decision-making during the Games helped ensure initial ticketing and transport problems were resolved early.
- 4** Partnership working was particularly successful. Partners had a shared vision, strong commitment, clear roles and responsibilities, appropriate seniority and continuity of staff and they shared information effectively.

### Hosting the Commonwealth Games was successful for Glasgow and Scotland

**17.** Initial information highlights that hosting the Games in Glasgow was successful. Available information covers several aspects involving the Games, helping to demonstrate the broad nature of the success in both sporting and non-sporting activities.

#### Ticket sales and sponsorship income exceeded initial estimates and targets

**18.** The Organising Committee's ticketing sales strategy was effective, with around 1.2 million tickets sold for 238 sessions including the opening and closing ceremonies ([Exhibit 2, page 12](#)). This represented 98 per cent of tickets available for public sale. A further 160,000 were made available for sponsors, Commonwealth Games associations, hospitality or offered through the 'gift of the Games' programme. Total sales income was £33.9 million, 78 per cent more than the £19 million originally expected. Four events – cycling (both time trial and road race), marathon and triathlon – were accessible to the public without tickets.

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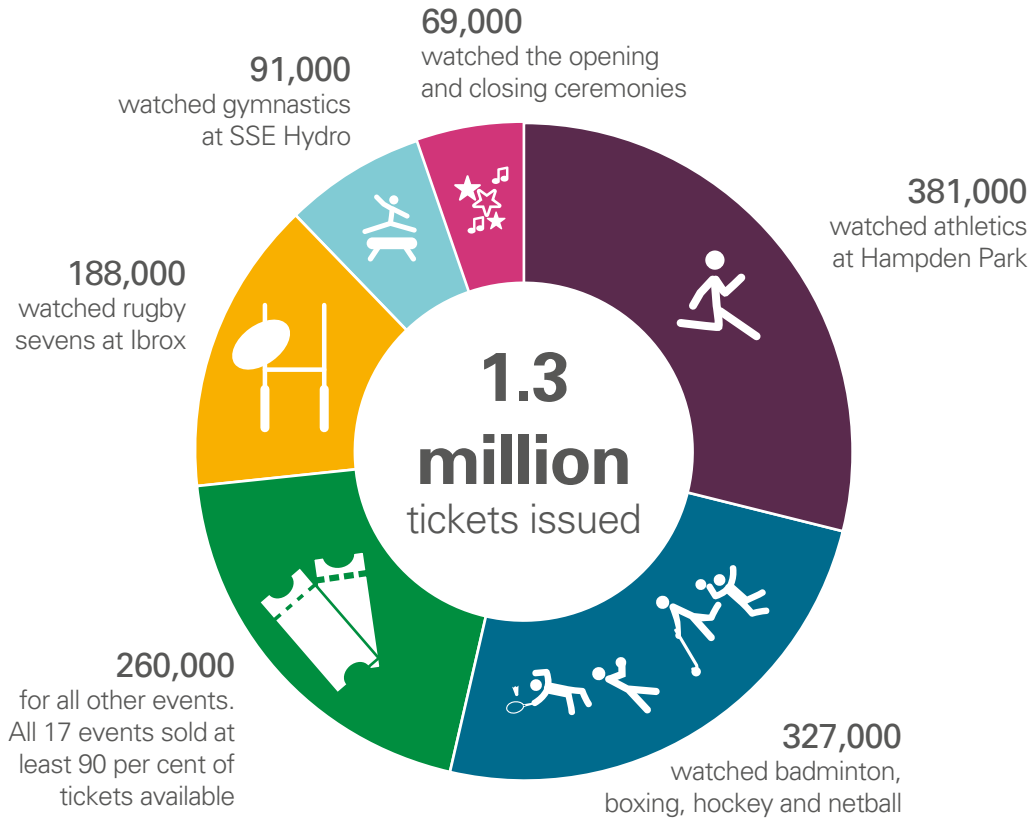
**strong  
commitment,  
early  
planning  
and effective  
partnership  
working  
contributed  
to a  
successful  
Games**

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## Exhibit 2

### Ticket sales

A total of 1.3 million tickets were issued for the Games, 98 per cent of all available tickets.



Note: No comparable information was available for Delhi 2010. Ticket income for Manchester and Melbourne has been adjusted for inflation. For Glasgow 2014, a total of 1.3 million tickets were issued including around 1.2 million sold through public ticket sales.

Source: Organising Committee

**19.** Public ticket sales (1.2 million) also performed well compared to previous Games. In Manchester 2002, around 900,000 tickets were sold, generating income of £19 million (adjusted for inflation). In Melbourne 2006, 1.5 million tickets were sold, representing 85 per cent of all available tickets for sale.

**20.** The Games sponsorship strategy was successful and attracted significant investment from the private sector, which was made more challenging due to the economic downturn. Sponsorship generated income of £43.6 million, around £400,000 more than initially estimated. This was £9 million greater than sponsorship income from Manchester 2002 and £4 million less than from Melbourne 2006. Sponsors were divided into three categories:

- Six official Games partners (totalling £25 million in sponsorship income)
- 13 official supporters (£12.8 million)
- 27 official providers (£5.8 million).

Sponsorship was a mix of cash (£20.2 million) and value-in-kind payments (£23.4 million) for services such as vehicle supply and official timekeeping provided as part of delivering the Games.

### **Sporting participation was greater than previous Games**

**21.** The decision to focus Glasgow 2014 on athletes and expand the Games to include more women's and para-sport events was successful. Over 4,800 athletes and almost 2,000 officials took part in the Games, including almost 300 para-athletes. The total number of athletes was almost 300 more than expected and more than in any previous Commonwealth Games. Athletes and officials travelling to Scotland numbered 1,100 more than to Manchester 2002, 500 more than to Melbourne 2006 and 300 more than to Delhi in 2010.

**22.** During the Games, 824 medals were awarded. Competitors broke nine world records and 142 Commonwealth records. Team Scotland achieved its best Games performance, winning 53 medals. This beat its previous record of 33 medals in Edinburgh in 1986, and its total of 26 in Delhi 2010.

### **Glasgow received good media exposure during the Games**

**23.** The Games had an estimated global TV audience of 1.5 billion, which was consistent with estimated viewing figures for Melbourne 2006 and 0.5 billion more than for Manchester 2002. In the UK, 61 per cent of the population (35 million) watched at least 15 minutes of live coverage. This compares with 78 per cent of the population (3.8 million) in Scotland.

**24.** The strategic partners' online media approach was successful and provided significant exposure to Glasgow:

- People visited the Glasgow 2014 website over a million times a day.
- People downloaded Glasgow 2014 mobile applications on over 460,000 devices.
- Glasgow 2014 and associated Games-related key words were mentioned more than three million times during the Games.

- Glasgow City Council's new website [peoplemakeglasgow.com](http://peoplemakeglasgow.com)  and its associated digital and social media was accessed by 5.3 million people.

**25.** In addition, the global media relations programme for the Games resulted in 1.6 billion opportunities to see items relating to the Games in print, broadcast and digital media forums during the period April 2013 to March 2014.

### **There were no major safety or security incidents during the Games**

**26.** In December 2012, responsibility for delivering the safety and security operation was transferred from the Organising Committee to Police Scotland. This also covered the Queen's Baton Relay as it passed through each local authority area in Scotland commencing in June 2014.

**27.** Prior to the transfer of responsibility to Police Scotland, early security planning was limited. Our 2012 report raised concerns that the security budget may be insufficient due to the uncertainty of security planning at that time. CoCom also raised further concerns about this in their April 2012 review. During the summer and autumn of 2012, the strategic partners carried out a thorough review of security arrangements, taking into consideration lessons from the London 2012 Olympics. This led to the security budget increasing from £27 million to £90 million and responsibility transferring from the Organising Committee to Police Scotland.

**28.** Security planning for the Games was complex, with many factors and dependencies considered as part of the operation. Plans were reliant on information from various sources including details on transport, venues, accommodation arrangements and event scheduling. Changes to arrangements or delays, such as finalising the transport strategy, meant that security plans could not be finalised until close to the start of the Games.

**29.** The operation was delivered using a mixed workforce of police officers, private security staff, mutual aid police officers from other UK forces and military personnel. Around 100,000 police officer shifts were carried out during the Games with support from private security staff (around 90,000 shifts from 17 safety and security companies) and 1,100 military personnel for security at Games venues. Around 3,800 police shifts were from mutual aid officers from other UK forces who provided support for some specialist areas such as firearms and search teams.

**30.** There were no major security issues during the Games. Police Scotland reported that crime fell by 18 per cent within the Greater Glasgow area during the quarter in which the Games took place when compared to the quarterly average. They also reported that disruption to local policing was kept to a minimum with £0.7 million used from the security budget to cover business-as-usual overtime for local policing. The final Gateway Review found that all aspects of the safety and security programme were delivered successfully.

**31.** After the Games, Police Scotland undertook debriefs with officers and staff covering strategic, tactical and operational levels to identify lessons learned. These lessons, aimed at creating a legacy for planning for future major events, now form an action plan being taken forward under the leadership of the Deputy Chief Constable responsible for Crime and Specialist Operations. The lessons relate to a number of areas including leadership, resources, decision-making and governance and accountability.

### Initial feedback from spectators was positive

**32.** In August 2014, shortly after the Games, the Organising Committee published the results of their spectator experience survey. More than 20,000 spectators responded, and over 90 per cent said they had had a 'very good' or 'good' experience of the Games. Interaction with staff and volunteers, venue atmosphere, cleanliness and catering all received positive feedback. Around three-quarters of spectators completing the survey had a positive travel experience, with 13 per cent describing their travel experience as 'negative'.

### Events surrounding the Games also contributed to its success

**33.** The Glasgow 2014 Queen's Baton Relay took place in the 288 days before the Games began. The relay entered 70 nations and territories of the Commonwealth, averaging four days in each country. In Scotland alone, over a period of 40 days, 4,000 people carried the baton through all 32 council areas. Councils organised community events such as sports days, ceilidhs and highland games to mark the relay as it passed through.

**34.** Various events coincided with the Games aimed at promoting culture and the arts. More than 1,500 events took place as part of the Glasgow 2014 cultural programme in the year leading up to the Games. The programme funded around 150 projects covering individual artists and community events and groups. As part of the programme, Festival 2014 took place at four venues across Glasgow during the Games to promote culture and entertain visitors. Over 850,000 people were estimated to have attended Festival events.

**35.** During the Games, visitor numbers to Glasgow were high. In November 2014, an interim report estimated 690,000 people attended at least one ticketed Games or Festival 2014 event. This was made up of 440,000 day visitors and 250,000 visitors who had stayed at least one night in Scotland.<sup>3</sup> In total, the report estimated 2.9 million individual visitor days were made during the Games, with 80 per cent of days spent within the Greater Glasgow area. The report also estimated visitors spent an average of £98 a day making their total spending over £280 million. National tourism statistics will be available in summer 2015 and will be used to produce an analysis of the period during the Games. This will include analysing the impact of the Games on accommodation and transport.

**36.** A more detailed economic assessment of the Games in Scotland is planned for spring 2015. This is expected to cover activities directly associated with staging and hosting the Games, and the potential longer-term legacies across five topic areas:

- Business
- The labour market
- Tourism
- The events industry
- Physical environment.

## **Strong commitment, early planning and effective partnership working contributed to a successful Games**

**37.** Early planning helped ensure a successful Games by allowing the strategic partners sufficient time to implement plans and respond to any changes without impacting on the overall timetable. The fixed timetable to deliver the Games also helped focus planning and decision-making. Before the announcement of Glasgow's successful bid to host the Games, the strategic partners had already agreed to work closely together to make sure the Games were a success. They put significant effort into setting up joint arrangements for all aspects of planning the Games. This included arrangements for organising them and for agreeing joint governance arrangements including roles and responsibilities. Our first report, in November 2009, almost five years before the Games, found that the partners had established a clear high-level governance structure and were learning from the experience built up in other Commonwealth and Olympic Games. They also developed early programme plans to manage their individual responsibilities. Our second report, in March 2012, found that the partners had implemented our recommendations and had made good progress with delivery and infrastructure programmes as well as good progress in securing private income to help pay for the Games.

**38.** Governance arrangements evolved over time to reflect the different requirements at each stage, from planning through to making the Games happen. As planning progressed, working groups were integrated with others and the partners simplified governance arrangements in December 2012. In May 2013 we reported the strategic partners had reviewed, clarified and streamlined the terms of reference for their governance and working groups in response to the recommendation from our 2012 report.

**39.** Following a recommendation from the CoCom, the Strategic Group established a Games Executive Committee (GEC) to make it faster to take operational decisions during the Games and to implement any actions. The GEC consisted of senior officials from the partner organisations as well as other important bodies including Transport Scotland and Police Scotland. It met daily during the Games to discuss operational matters. These arrangements worked well, allowing them to respond to issues quickly without impacting significantly on the Games ([paragraph 44](#)).

**40.** All strategic partners showed they were strongly committed to making the Games a success. The original bid document stated: 'We want our Games to be a celebration of sport and personal achievement.' All strategic partners signed up to this shared vision.

**41.** The governance structure and shared vision allowed for effective partnership working. We identified seven factors that we found to be important in ensuring the success of this partnership working:

- A shared vision agreed by the strategic partners allowed partners to work towards a common objective.
- Clear governance arrangements that evolved as necessary over time helped ensure decisions were taken at the appropriate level with clear lines of accountability.
- Clear roles and responsibilities helped avoid duplication.



- Appropriate seniority of staff involved helped to ensure quick decision-making by those responsible.
- Continuity of staff throughout the planning and delivery stages helped ensure experience was not lost.
- Personality of staff helped effective working relationships.
- Good information sharing between partners enabled decisions to be based on complete information and ensured openness and transparency between partners.

This example of successful partnership working provides a good opportunity for the Scottish Government, Glasgow City Council and Police Scotland to share lessons learned from their experiences. This applies both within their respective organisations and to other parts of the public sector where partnership working is becoming increasingly important.

### **Initial ticketing and transport difficulties were resolved quickly**

**42.** Most tickets were sold during the first and second phases of ticket sales, with around one million allocated from 2.3 million applications. The high demand for a further 100,000 tickets for sale in the third phase, launched in May 2014, caused technical difficulties. The Organising Committee responded to this quickly and postponed ticket sales until the ticketing agent resolved the problems. Revised arrangements included a phased sale, a free phone line for telephone sales and free delivery. The Organising Committee received a reduction on its payment to the ticketing agent as part of a commercial agreement to compensate for the disruption.

**43.** One of the strategic partners' main challenges was ensuring effective transport in and around Glasgow during the Games. Transport arrangements involved many groups, including the Scottish Government, Glasgow City Council, Transport Scotland, Strathclyde Partnership for Transport, Police Scotland, rail, bus and taxi providers. In April 2013, CoCom expressed concern that detailed transport planning was behind schedule, including detailed requirements for public transport, arranging buses and cars, and managing traffic and routes. The final transport strategy, published in April 2014, aimed at making sure athletes, officials and spectators had safe, secure and regular transport while ensuring Glasgow's transport system kept moving.

**44.** Most of this strategy was implemented effectively but some transport difficulties occurred during the first weekend of the Games. Ticket sales were higher than expected, as were numbers of athletes and officials attending. As a result of this and additional cultural events, the strategic partners made changes to the operational transport plans. An external assessment of the transport network concluded that the Greater Glasgow area was not able to cope with spectator and visitor numbers, particularly on dates where the Hydro, Ibrox Stadium and Hampden Park were all in use. This led to a decision by the Organising Committee to extend park and ride facilities. As a result, the contract to provide these facilities was not awarded until early July 2014. On Sunday 27 July, some park and ride facilities did not provide an effective service, resulting in delays for spectators. The Organising Committee arranged additional buses for subsequent days to help address the situation and invited those affected by travel problems to apply for refunds. Refunds cost approximately £20,000. The Organising Committee received a reduction on their payment to the transport provider as part of a commercial agreement to compensate for the disruption.

# Part 2

## The cost of the Games



### Key messages

- 1** The Games were delivered successfully within budget. The Games cost a total of £543 million, £32 million less than the budget agreed in November 2013. This includes £34 million from the operational contingency fund which was part of the total budget.
- 2** The Scottish Government and Glasgow City Council provided £424.5 million towards the total cost of the Games, £37.2 million less than anticipated. The remaining costs of the Games were met from £118 million of income from ticket sales, sponsorship and other private sources. The Organising Committee and Police Scotland demonstrated good financial control over their respective Games budgets.
- 3** Costs to the rest of the public sector were minimised as a result of good planning for the Games to ensure business as usual. The Scottish Government agreed to provide the Scottish Fire and Rescue Service and the Scottish Ambulance Service with £3 million additional funding to cover their operations during the Games.

public  
funding for  
the Games  
was less than  
anticipated

### The Games were delivered successfully within the budget approved in November 2013

**45.** The Games cost £543 million. This was £32 million (six per cent) less than the budget of £575 million that the Strategic Group approved in November 2013. Costs covered the period 2007/08 to 2014/15. Most, £432 million (80 per cent), came in the last two years as contracts were agreed and work carried out. Spending covered all aspects of planning and organising the Games including developing venues, staff costs, transport, safety and security, technology and marketing ([Exhibit 3, page 19](#)).

### Athletes Village costs and venue development and access costs were within budget

**46.** The Organising Committee was responsible for developing three venues, Hampden Park, Strathclyde Park and the Athletes Village. Glasgow City Council was responsible for the other six venues. The Games budget did not include funding for venue developments planned before the Games were awarded in 2007 such as the Scottish Hydro Arena, the National Indoor Sports Arena (Emirates Arena) and the refurbishment of the Royal Commonwealth Pool in Edinburgh.<sup>4</sup> These are not considered as direct costs of the Games and were

paid for by the venue owners. For all venues, where changes to design were made, either temporary or permanent, as a result of the Games, these costs were included within the Games budget. The Commonwealth Games Federation approved design changes following consultation with athletes' representatives on their requirements.

## Exhibit 3

### Games spending by area

The Games cost £543 million. This was £32 million less than the budget approved in November 2013.

Budget area	Budget (Nov 2013 – £m)	Actual spend (£m)	Variance (£m)
Village and venues	153	148	(5)
Games services (ie, accommodation, transport and logistics)	58	68	10
Staff and volunteers	72	70	(2)
Broadcasting	31	31	0
Corporate services	32	35	3
Technology	38	39	1
Ceremonies	27	29	2
Communications and marketing (Sports presentation)	24	25	1
Sport	8	8	0
Safety and security	90	88	(2)
Other	2	2	0
<b>Total</b>	<b>535</b>	<b>543</b>	<b>8</b>
Unallocated contingency funding	40	32	n/a
<b>Budget</b>	<b>575</b>	<b>575</b>	<b>n/a</b>

Note:

1. Police Scotland managed safety and security spending. The Organising Committee was responsible for the remainder.
2. Figures include contingency funding discussed in more detail at paragraphs 48 to 50.
3. Figures subject to minor rounding differences.
4. Additional income generated is added to the unallocated contingency funding to calculate the overall public funding underspend of £37.2 million.

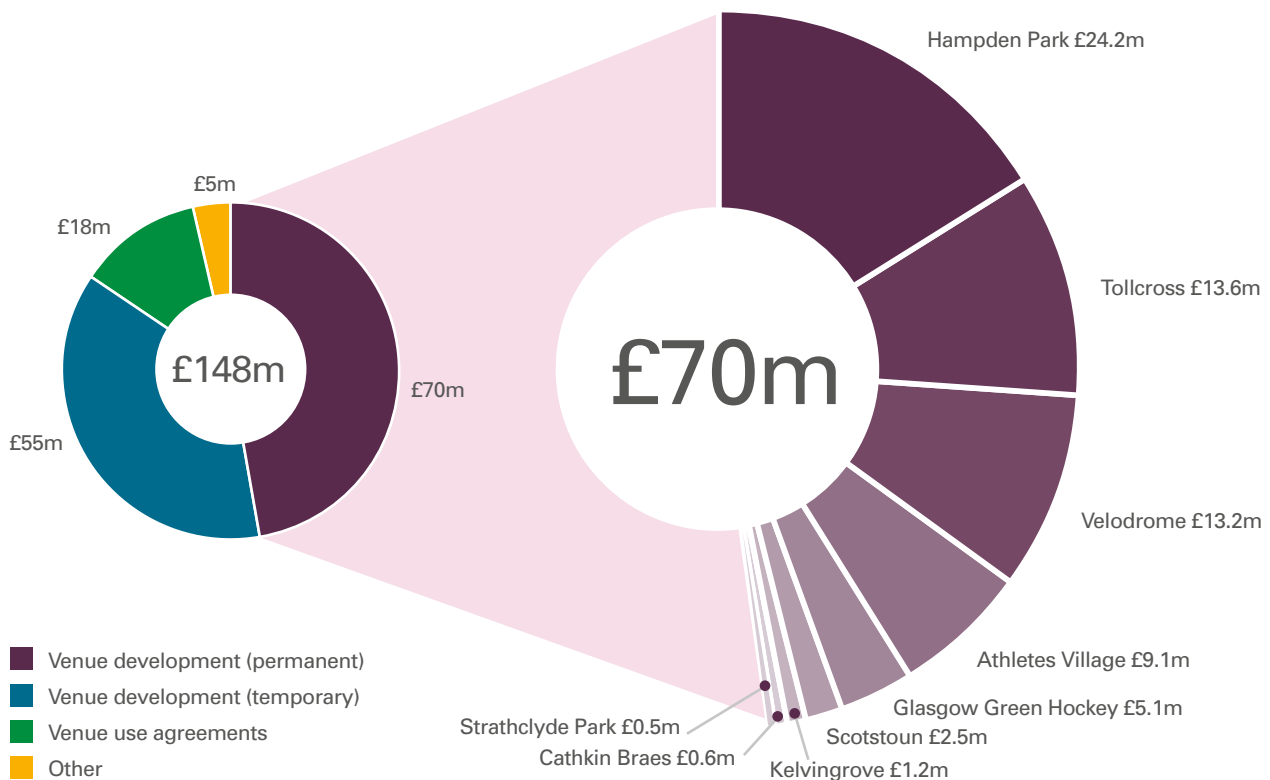
Source: Organising Committee and Police Scotland

**47.** The cost of developing the Athletes Village and sports venues, non-competition venues (such as Games communications and technology centres and park and ride facilities) and venue access costs, totalled £148 million. This was £5 million (three per cent) less than budgeted for in November 2013. Costs included permanent and temporary changes (such as energy and water solutions and additional toilet facilities) to the design of venues. They also included venue use agreements to cover leasing arrangements for existing venues such as the SECC and Hampden Park ([Exhibit 4](#)).

**Exhibit 4**

**Organising Committee spending on Games venues and Athletes Village**

Spending from the Games budget on venues and the Athletes Village totalled £148 million.



Source: Organising Committee

**£34 million of the £70 million available contingency was used**

**48.** The Games budget of £575 million included a contingency allowance of £70 million. This was divided into an operational contingency (£46 million) and a special reserve (£24 million); the main difference between these was how they were funded. The operational contingency was funded by the Scottish Government (80 per cent) and Glasgow City Council (20 per cent). The Scottish Government funded all of the special reserve.

49. In September 2013, the Strategic Group agreed that they would use any surplus commercial income to increase the operational contingency fund. Prior to this, the agreement was that the surplus commercial income would be split equally between the Organising Committee and the funding partners. Increased commercial income from ticket sales led to the contingency fund increasing by £3.5 million in November 2013. The partners agreed to allocate commercial income in the following order:

- Supplement operational contingency where the Strategic Group agreed it was required.
- Repay any contingency already used.
- Split any surplus equally between the Organising Committee and the funding partners.

50. In total £34 million (around 75 per cent) of the operational contingency was used with no funds required from the special reserve ([Exhibit 5](#)). The Strategic Group, Organising Committee Board and Budget Oversight Group provided appropriate scrutiny of each request prior to approving.

## Exhibit 5

### Contingency funding

A total of £34 million was used from contingency funding. This was £36 million less than available.

Budget area	Purpose of drawdown	£m
Village and venues	<ul style="list-style-type: none"> <li>• Extension to time period required for access to some venues</li> <li>• Higher than anticipated costs and requirements for temporary power at venues</li> <li>• Tollcross roof strengthening to allow suspension of video scoreboard</li> <li>• Improvements in health and safety including fire detection and fire stopping systems in the Athletes Village</li> </ul>	27
Games services	<ul style="list-style-type: none"> <li>• Increase in transport costs to meet the cost of park and ride facilities and local area transport management plans</li> <li>• Increase in costs of logistics for storing, tracking and transporting furniture and equipment between the village and venues</li> </ul>	18.7
Ceremonies	<ul style="list-style-type: none"> <li>• Enhancements to both opening and closing ceremonies</li> </ul>	2
Communications and marketing	<ul style="list-style-type: none"> <li>• Improvements to video board announcements, music, lighting and spectator information</li> </ul>	2.7
Technology	<ul style="list-style-type: none"> <li>• To supplement office equipment and timing and scoring equipment, and extend coverage of judo, wrestling and triathlon events</li> </ul>	1
Games time fund	<ul style="list-style-type: none"> <li>• To give the Organising Committee flexibility to manage any unforeseen problems during the Games. The initial allocation was £4 million but only £600,000 was used</li> </ul>	0.6
Returns to contingency fund	<ul style="list-style-type: none"> <li>• Additional commercial income and savings</li> </ul>	(17.7)
<b>Total</b>		<b>34.3</b>

### Police Scotland provided the safety and security operation within budget

**51.** Police Scotland was responsible for safety and security for the Games. The operation cost £88.3 million, £1.7 million less than the £90 million budget. Police Scotland was directly responsible for providing police support during the Games and for arranging and overseeing security arrangements at each Games venue. Almost three-quarters (£65 million) was spent during 2014/15 with a further 23 per cent (£20 million) spent in 2013/14. Spending mainly covered security planning including buying and hiring equipment such as secure perimeter fencing, airport-style security scanners and radio communications. Overall, around 40 per cent of the safety and security budget (£37 million) was spent on equipment ([Exhibit 6](#)).

## Exhibit 6

### Safety and security spending

Safety and security at the Games cost £88.3 million.

Safety and security budget area	Spending (£m)
Policing costs	16.8
Logistics	7.7
Private contractors	20.6
Equipment	37
Planning costs	1.5
Other	3.9
Festival 2014 costs	0.8
<b>Total</b>	<b>88.3</b>

Note: Military personnel were provided at no cost.

Source: Police Scotland

**52.** £20.6 million (23 per cent) was spent on hiring staff from 17 private sector security firms for security and stewarding at venues. Policing costs amounted to £16.8 million (19 per cent) for overtime costs on specific Games deployments or as part of the police planning operation. Policing costs covered:

- full salary costs for staff recruited or seconded for the Games
- overtime payments and allowances for police officers working at the Games
- mutual aid support for specialist services from other UK forces (£2.6 million).

£7.7 million (nine per cent) was spent on logistical support such as accommodation and catering for police, private security stewards and military personnel.

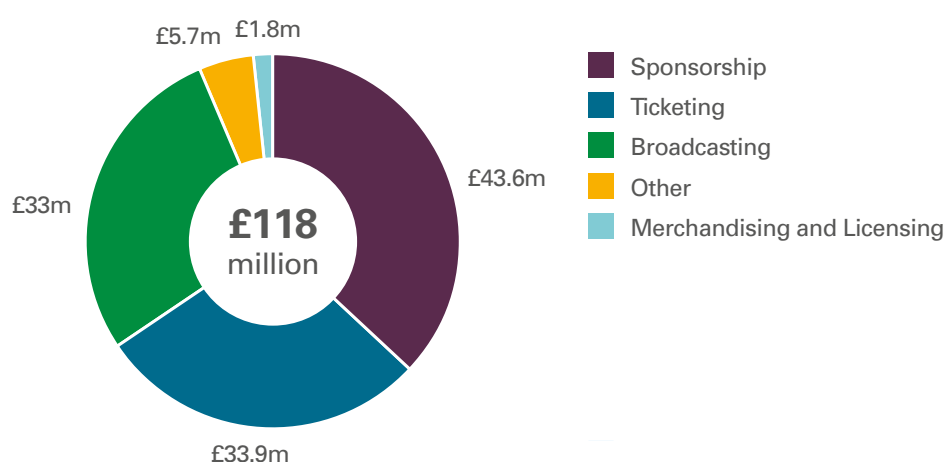
## Income raised from private sources paid for 22 per cent of total Games spending

**53.** We reported in 2013 that the Organising Committee expected to raise £101 million in commercial income through sponsorship, broadcasting rights, ticket sales and merchandising. The Committee's 2013 business plan revised this to £113 million following better-than-expected ticket sales. Following the Games, commercial income totalled £118 million ([Exhibit 7](#)).

### Exhibit 7

#### Commercial income

The Organising Committee raised £118 million to help pay for the Games.



Source: Organising Committee

**54.** Ticket sales were the most successful element of income for the Organising Committee. Initial sales were £7 million higher than forecast, resulting in a revised income estimate of £29 million in the 2014 business plan. Subsequent sales were also better than expected, generating total ticket income of £33.9 million. Total ticket income was £14.9 million higher (78 per cent) than the initial budget estimate of £19 million. Income from merchandise was £1.8 million, about £800,000 less than originally budgeted for. Although merchandise sales were very successful, the Organising Committee believes their initial budgeted income targets were over-ambitious.

**55.** Official Games sponsorship generated income of £43.6 million, around £400,000 more than initially estimated. Income from selling broadcasting rights totalled £33 million and was in line with expectations. This included two major contracts, one with the BBC for domestic rights and one with Network Ten for Australian TV rights. The Organising Committee agreed around ten further, smaller contracts with international TV providers.

**56.** Other income includes £1.5 million received from the Commonwealth Games Federation (CGF) following the Games for knowledge transfer. This was a pre-arranged amount. The CGF paid it when it was satisfied the Strategic Partners had successfully transferred their knowledge and experiences of planning and delivering the Glasgow Games to the organisers of the 2018 Games. These are to be held in the Gold Coast, Australia.

## Public funding for the Games was less than anticipated

**57.** The success in generating private income reduced the need for public sector funding. Public funding for the Games totalled £424.5 million, £37.2 million (eight per cent) less than the budget allowed for. This brings public spending in line with the original level of public funding earmarked in 2009 prior to the increase in the safety and security budget [Exhibit 1 \(page 9\)](#). The Scottish Government and Glasgow City Council had committed up to £461.7 million towards the cost of the Games. The Government set aside £381.7 million (83 per cent) with the council providing £80 million (17 per cent). Total public funding accounted for 78 per cent of Games spending, two per cent less than expected.

### Early planning minimised additional costs to public bodies

**58.** Preparations for the Games were in progress since 2007. Public bodies therefore planned well in advance for any potential additional costs so they could meet these from their core funding allocations. We did not identify any significant unexpected costs to public bodies as a result of hosting the Games.

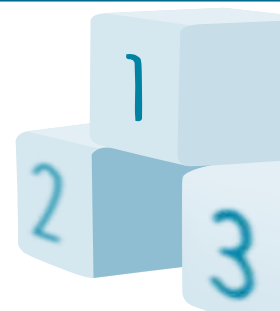
**59.** There was a lack of detailed budget planning to cover emergency services costs. The overall Games budget did not include funding for all emergency services. We identified direct costs from the Games to the Scottish Fire and Rescue Service (SFRS) and some for the Scottish Ambulance Service (SAS) that the overall Games budget did not cover. The SFRS estimated costs of £2.2 million for providing additional resources during the Games period and the Scottish Government agreed to provide funding for any additional costs incurred. Similarly, SAS estimated costs of £1.2 million for planning, training and providing emergency support at Games venues. The Organising Committee paid half of this (£0.6 million) and the Scottish Government paid the rest. Strathclyde Country Park was chosen as the venue for the triathlon event with the swimming element held in Strathclyde Loch. Prior to the Games, concerns were raised about the Loch's water quality due to high levels of bacteria and blue green algae which had previously caused disruption to several water events held at Strathclyde. A partnership including the Scottish Government, North Lanarkshire Council, SEPA and Scottish Water developed a temporary solution for the Games. It involved a system of waterproof barriers, chemical treatments and 24-hour water level management to produce a safe swim area that met international triathlon standards. The project cost £1.4 million, with the cost split evenly between the Scottish Government and North Lanarkshire Council.

**60.** No councils made additional funding requests to the Scottish Government as a result of the Games. The overall Games budget covered direct costs from the Queen's Baton Relay with any additional spending by councils at their own discretion. EventScotland provided councils with a total of £311,000 in grants as part of the Games for Scotland 2014 programme. The programme's objective was to allow local communities to celebrate the relay through Scotland by running Games-themed events in council areas. The grants were for up to £10,000 for each event, so long as it met certain criteria. These included its ability to inspire and get communities involved in the Games and in supporting Team Scotland, and to encourage people to take part in cultural and sporting activity.



# Part 3

## The legacy of the Games



### Key messages

- 1** The Scottish Government and Glasgow City Council planned early for legacy. They have established clear plans for realising legacy benefits from the Games at local, city-wide and national levels. Both the Government and Council have developed an evaluation framework and intend to monitor and report progress regularly up to 2019.
- 2** A comprehensive set of indicators is in place. Legacy outcomes are affected by many external factors making it difficult to assess value for money. There are already examples of successful legacy but it is too early to see change in most indicators.
- 3** There is limited public sector funding specifically for legacy and many projects and programmes rely on financial support from the third sector. With ongoing pressures in public sector budgets in the next few years it will be challenging for the Scottish Government and Glasgow City Council to ensure legacy projects and programmes attract the necessary financial support. Strong leadership is needed to ensure legacy benefits are realised.
- 4** All councils have engaged in the legacy process. Thirteen councils have developed their own legacy plans with others incorporating legacy into their existing business plans. A legacy lead officers group with representatives from each council shares good practice and experience to maximise business, sport and cultural opportunities from the Games.

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clear legacy plans are in place. Strong leadership is needed to ensure benefits are realised

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### The Scottish Government and Glasgow City Council planned for legacy early

- 61.** The potential to deliver a positive and lasting legacy of benefits has become an important factor in bidding for any major international sporting event. The Scottish Government and Glasgow City Council set out in their bid that the Games would contribute to the economic, social, cultural and environmental development of the city and the country.
- 62.** The Scottish Government and Glasgow City Council planned early for legacy. After extensive public consultation that included public meetings, consultation documents and surveys, both published legacy frameworks in 2009 setting out the outcomes they wanted to achieve. The Scottish Government included three intermediate outcomes under each of four themes: flourishing, active, sustainable

and connected. Glasgow City Council included two or three outcomes under each of six themes; prosperous, active, international, greener, accessible and inclusive ([Exhibit 8](#)).

## Exhibit 8

### The Scottish Government's and Glasgow City Council's legacy outcomes

The Scottish Government's legacy outcomes					
<b>Flourishing</b> 	<b>Active</b> 	<b>Sustainable</b> 	<b>Connected</b> 		
<ul style="list-style-type: none"> <li>• Increase growth of Scottish businesses</li> <li>• Increase movement into employment, training and volunteering</li> <li>• Improve the perception of Scotland as a world-class destination for business, events and tourism</li> </ul>	<ul style="list-style-type: none"> <li>• Increase physical activity and participation in sport</li> <li>• Improve the active infrastructure (people and places)</li> <li>• Improve Scottish sporting success</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the physical and social environment of Glasgow, in particular the east end</li> <li>• Strengthen and empower communities in Scotland and the Commonwealth</li> <li>• Demonstrate sustainable design and environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the perception of Scotland as a creative nation, producing world-class cultural experiences</li> <li>• Increase engagement through new artistic, cultural and creative experiences</li> <li>• Enhance young people's learning and everyone's understanding and celebration of our and other countries' cultures</li> </ul>		
Glasgow City Council's legacy outcomes					
<b>Prosperous</b> 	<b>Active</b> 	<b>International</b> 	<b>Greener</b> 	<b>Accessible</b> 	<b>Inclusive</b> 
<ul style="list-style-type: none"> <li>• Improve business growth and performance</li> <li>• Increase employment and training and development opportunities</li> <li>• Improve the physical appearance of Glasgow, particularly the east end</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the capacity of the sports infrastructure, through improved club development and coach education</li> <li>• Increase participation in sport and physical activity and contribute towards improving health and wellbeing of Glaswegians</li> </ul>	<ul style="list-style-type: none"> <li>• Contribute towards the enhancement of Glasgow's reputation and image</li> <li>• Attract a range of cultural and sporting events to the city</li> <li>• Develop Glasgow's tourism industry</li> </ul>	<ul style="list-style-type: none"> <li>• Improve sustainable standards of living</li> <li>• Improve access to, and use of, green spaces</li> <li>• Reduce climate emissions in Glasgow</li> </ul>	<ul style="list-style-type: none"> <li>• Improve transport connectivity across the city</li> <li>• Provide a sustainable network of travel</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage people in Glasgow to participate in volunteering programmes</li> <li>• Inspire new cultural activity and learning opportunities from Glasgow 2014</li> <li>• Strengthen links with commonwealth nations</li> </ul>

**63.** Experience has shown that legacy should be embedded in regular business to have the greatest chance of success.<sup>5</sup> This is the approach taken by the Scottish Government and Glasgow City Council. Following the Games, the Government and Council have limited funding available for legacy programmes. They are focusing this, together with some existing funds where possible, on programmes and projects that support legacy aims.

**64.** The Scottish Government Legacy 2014 programmes and projects are events or activities that contribute to the legacy outcomes. There are 59 Legacy 2014 national programmes and 86 projects located throughout Scotland to help deliver the legacy outcomes. The national programmes allow individuals and organisations to get involved or benefit in various ways. Some are new programmes related directly to delivering the Games. Others may be pre-existing but have used the Games to help expand or develop further what they are doing.

**65.** Legacy 2014 projects are located across Scotland or elsewhere, including England and Wales, if they contribute to the legacy outcomes, and are both national and local. They meet specific criteria and may use Legacy 2014 branding and access resources such as public relations or communications support from the Scottish Government. At November 2014, 86 projects were registered. Of these, 29 were Scotland-wide including several which extend to the UK and Commonwealth (such as the Vision Africa – Give a Child a Future project in Kenya), three were in Wales, one in England and 53 were local projects across Scotland.

**66.** In addition to the national legacy programmes and projects, Glasgow City Council (GCC) has more than 80 council-led and over 300 community-led projects. [Case study 1 \(page 28\)](#) provides examples of national and local legacy programmes and projects.

### **Glasgow City Council provided good opportunities for the people of Glasgow to be involved in legacy planning**

**67.** Glasgow City Council carried out extensive consultation with the community from the outset, taking views from over 3,000 residents before developing its legacy framework. A Games Legacy Community Engagement Strategy was published in 2010 and the council appointed a dedicated Community Engagement Officer in 2011. Over 400 people attended a series of public meetings in 2010 and 2011 held to inform residents and ask them for their views on the main priorities for gaining maximum benefit from hosting the Games. The Council published the findings from the meetings and passed them to appropriate contacts such as community planning partners, legacy theme champions and the Organising Committee to take on board. Staff from stakeholders including the council, Glasgow Life (Culture and Sport Glasgow), the NHS, police and housing associations held workshops in 2011 and 2012 on the best ways to engage with the community. These resulted in various initiatives – including an online guide – showing individuals and community groups how to get involved.

**68.** With no additional funding specifically dedicated for legacy, the council used its Integrated Grants Fund – a portfolio of grants to third sector organisations such as charitable and community groups – to fund appropriate projects. The council held three 'Inspiring Communities towards 2014' events to encourage communities to develop their own projects. The events included representatives from community groups, council services and funding organisations and altogether over 400 people attended. Examples of community-led projects include the following:

- Play on Pedals: a city-wide project to teach over 7,500 four-year olds how to ride a bike safely.
- The Gateway Residents Association Welcome to the Barbadians initiative: residents in the Battlefield area hosted a street party for athletes, officials and families from Barbados during the Games.
- North West Women's Centre Commonwealth Garden: created with the council's help and continues to be maintained by the women who visit the centre.

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## Case study 1



### Legacy 2014 national programmes

**Community Sport Hubs (CSHs)** is working with councils to provide a base (in schools, community centres etc) for local clubs and organisations across Scotland. The goal is to have 150 CSHs in place by 2016 with at least 50 per cent based in schools. By September 2014, 134 were operating and providing a resource for 848 individual sports clubs.

**Celebrate** enables councils, schools and community groups across Scotland to mark the Games and celebrate the Commonwealth. £4 million of funding from The National Lottery is available for grants of up to £10,000 for events. By December 2014, 642 awards had been made and activities had taken place in all 32 local authority areas.

### Legacy 2014 local projects

**University of Aberdeen's Learn to swim programme** encourages adults, those on low incomes and students to learn to swim.

**Paralympic experience**, City of Edinburgh Council. Brings together young people with a physical disability to experience a range of Commonwealth sports.

**Commonwealth youth summit**, Dumfries and Galloway Council. A four-day summit for young people with workshops, speakers and activities around the theme of leadership.

### Glasgow City Council projects

**Commonwealth Jobs Fund** supports the salary costs of unemployed Glasgow residents for up to 12 months allowing small and medium enterprises to create job opportunities. By March 2014, the Fund had helped 719 people into work.

**Walking and cycling**. Since 2009 the council has created or upgraded over 13.5 km of walking and cycling tracks.

**The stalled spaces project** aims to improve the local environment by helping communities bring vacant or underused land back into temporary use. Spaces are used as gardens, to grow food and host art projects and events. 26 hectares in Glasgow have been used in 83 projects involving 280 volunteers.

The stalled spaces project has won a range of awards and will be rolled out nationwide by the Scottish Government in association with Architecture and Design Scotland.

**69.** The Games has brought a range of new facilities and improvements to the east end of Glasgow. This includes regeneration work and increased employment opportunities for the community through legacy projects ([Case study 2](#)).

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## Case study 2



### East end regeneration and community improvements

**Emirates Arena and Cycling Velodrome** – a new indoor sports arena and velodrome for community and elite sports including a gym, dance studio, spa, sports halls and outdoor pitches. Young people can use the outdoor five-a-side football pitches without charge for a period every Wednesday. Between its opening in October 2012 and March 2014 there were 543,533 attendances at the leisure facilities.

**Dalmarnock Railway Station** – a £9 million upgrade to improve access, lighting, new lifts, stairways and local bus/train connections.

**Village** – 700 new homes (300 for sale and 400 for rent from three locally based housing associations) and a new 120-bed elderly care home.

**Dalmarnock Community Hub** – this will open in 2015 and includes a community hall, nursery, GP surgery, pharmacy, convenience store and café. It is planned to create about 60 new jobs.

**The Glasgow Vintage Vehicle Trust** – a charity located at the former Bridgeton Bus Garage which restores and preserves historic vehicles and aims to promote the welfare of addicts. It operates a project called Back on the Road which provides work experience to those with drug or alcohol addiction problems helping them return to employment and society in general.

**South Camlachie Youth Project** – based in Barrowfield in the east end of Glasgow and works with local young people from the ages of 8-25 years in a variety of different ways including a football programme. Local people are also encouraged to get involved as volunteers.

**Parkhead Community Garden** – volunteers developed this garden out of previously unattractive and derelict land. It is now somewhere for residents and local groups to grow food as well as providing a relaxing community area. It is hoped volunteers and residents will benefit from gaining skills in planning and planting wildlife gardens, increased social engagement and a sense of ownership of this community space.

**Employment** – a variety of legacy schemes target the unemployed, under-employed and young people with support to help them into jobs and apprenticeships. In the east end approximately 203 people have been helped into work.

**Businesses** – projects to support businesses have aided seven firms from the east end win Games-related contracts. Two examples are Parkhead Welding at Bridgeton which supplied metalwork for the Emirates Arena and Rose & Grants which supplied catering services to Glasgow 2014 Ltd.

### The Scottish Government and Glasgow City Council have clear plans to monitor and report progress on legacy on a regular basis up to 2019

**70.** Measuring the legacy benefits of major multi-sporting events is difficult. Good practice suggests legacy is likely to be more successful if it is embedded in business as usual but this makes isolating the impact of the Games more challenging. Many benefits may only be fully realised over a long term, possibly decades. The Scottish Government and Glasgow City Council have both made a strong commitment to, and are working closely together on, a programme to assess progress on delivering the Games legacy. In January 2012 they established the Games Legacy Evaluation Working Group (GLEWG) to agree their approach to evaluation. Group members include the Scottish Government, Glasgow City Council, NHS Health Scotland, sportscotland, Scottish Enterprise, Creative Scotland, VisitScotland and academics.

**71.** The GLEWG adopted a reasonable approach and developed a framework for evaluating progress on legacy. This is based on six research questions and seven methods or research projects. The framework reflects the legacy themes and the themes, outcomes and indicators are interlinked. Where possible and appropriate, the GLEWG will evaluate outcomes at Scotland, Glasgow and east end of Glasgow levels ([Exhibit 9](#)).

## Exhibit 9

### The Games legacy evaluation framework

The evaluation framework has six questions and seven methods.

#### Research questions



What effect have the Games had on the economy, businesses, employment, training and volunteering?



What effect have the Games had on the community in the area of Glasgow's east end most directly affected?



What effect have the Games had on infrastructure, sports participation and physical activity?



What effect have the Games had on the cultural sector and cultural engagement?



What effect have the Games had on civic pride and/or international reputation?



Is there a partnership legacy from the Games?

#### Methods



Tracking of 58 outcome indicators from 2008 to 2019



Monitoring and evaluating over 50 legacy programmes in collaboration with partners



A community longitudinal study – GoWell East



An economic assessment



Secondary analysis of key national surveys



Online and social media monitoring



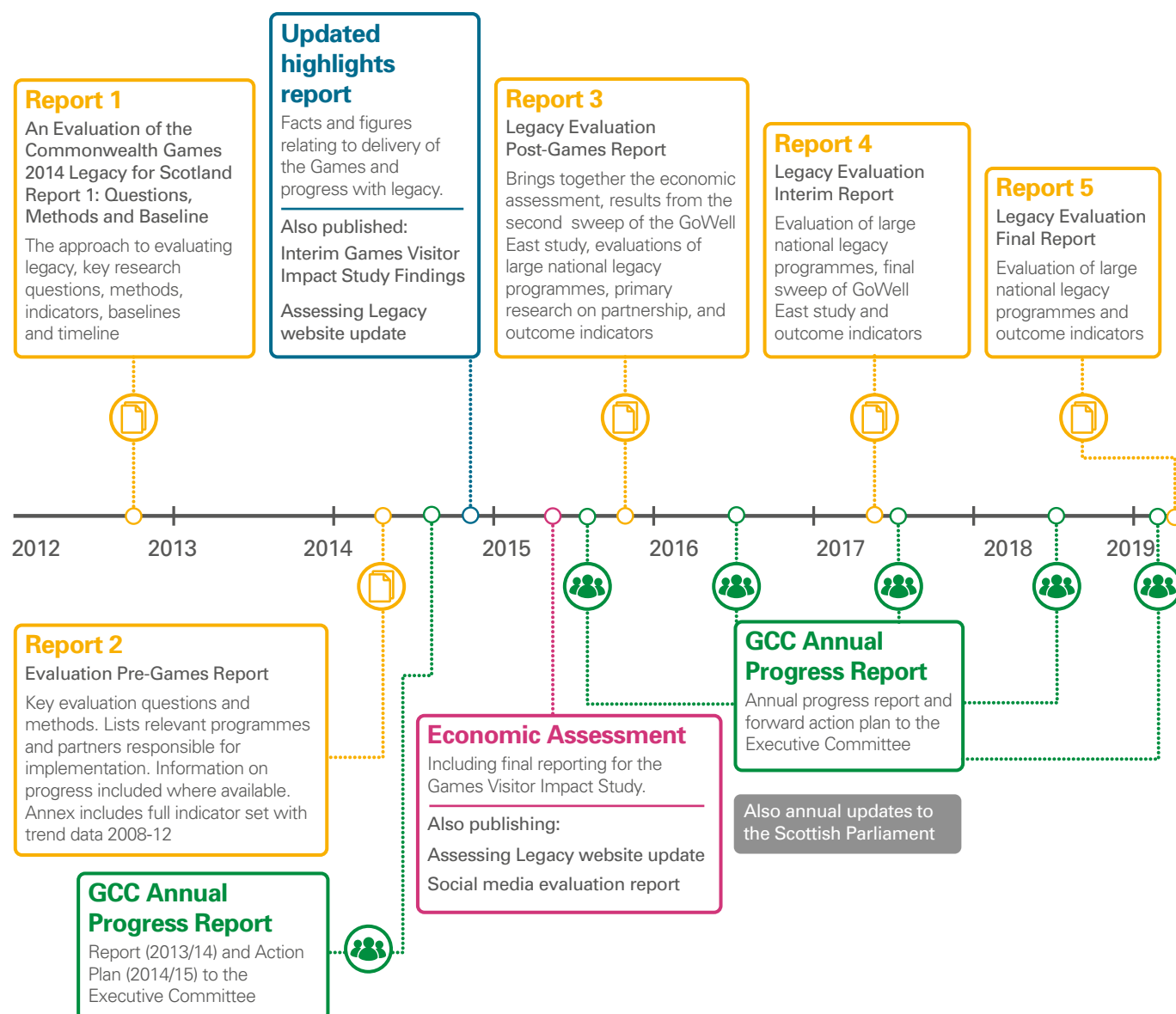
Primary research on partnership and collaboration

72. Results from the different evaluation methods will be reported at different times. The GLEWG has developed a comprehensive schedule for reporting progress. It will publish the third major legacy evaluation report in 2015. This will bring together the economic assessment, intermediate results from the GoWell East longitudinal study, evaluations of large national legacy programmes and primary research on partnership. There will be two further legacy evaluation reports in 2017 and 2019. In addition, annual progress reports will be presented to Glasgow City Council, the Assessing Legacy website will be updated every six months and there is a commitment to update the Scottish Parliament annually ([Exhibit 10](#)).

## Exhibit 10

The Scottish Government and Glasgow City Council are working closely on a comprehensive programme to evaluate the Games' legacy

A number of progress reports will be published during the ten-year monitoring and tracking period between 2009 and 2019.





**73.** GoWell is a ten-year research programme in Glasgow investigating the impact of housing and neighbourhood regeneration on the health and wellbeing of individuals, families and communities. It began in 2006, and looks at a range of neighbourhood, housing and health-related factors before, during and after changes take place.

**74.** The Scottish Government and Glasgow City Council have used the Games as an opportunity to support a new five-year supplement to the GoWell programme looking specifically at the east end of Glasgow. GoWell East aims to answer the research question on the impact of the Games on the lives of the local community in the area most directly affected. It involves surveys of local residents (in 2012, 2014 and 2016) plus analysis of health and deprivation indicators over the study period. The surveys will include questions specifically about legacy benefits such as physical activity and sport, involvement in cultural activities and volunteering. For a longitudinal study, the GoWell programme is limited as it only covers the period to 2016. A longitudinal study should cover a longer time period so greater trend information can be assessed. The Scottish Government should consider extending the GoWell programme to at least 2026.

#### **All councils are engaged in delivering legacy benefits**

**75.** Councils across Scotland have developed their own approaches to legacy. A partnership between the Society of Local Authority Chief Executives and Senior Managers (SOLACE), Convention of Scottish Local Authorities (COSLA) and the Scottish Government established a Legacy Lead Officers Group in early 2013. Comprising a senior manager from each council, it aims to help councils maximise business, sporting and cultural opportunities arising from the Games and other major events in 2014. A local government employee has been seconded to the Scottish Government's Legacy 2014 Team as Group Coordinator.

**76.** The approach to planning for legacy varies across councils. Around 13 councils have developed their own legacy plans and the rest have written legacy activities into existing strategies and business plans. The Group meets regularly to share information, opportunities and experience. The Coordinator provides each council with information on:

- its level of involvement in national legacy programmes
- the Supporting Legacy 2014 projects running in its area
- data from a selection of legacy evaluation indicators.

**77.** The Group agreed that it would continue after the Games. It has a role in helping coordinate councils' work in turning the Scottish Government's national policies into local activity to help promote legacy.

**78.** Each council is responsible for preparing, implementing and monitoring its legacy plans. It is important that, especially in the current economic climate, councils identify and take advantage of opportunities from the Games to achieve their legacy objectives, for example, by ensuring their communities take full advantage of available legacy programmes.



## A comprehensive set of indicators is in place

**79.** Evaluating legacy includes tracking a comprehensive set of 58 indicators to monitor progress against outcomes and answer some of the six research questions set out above. Taking a proportionate approach, and depending largely on existing sources of data, together with commissioning some additional measures to fill gaps, the indicator set gives good coverage of all four national themes.

**80.** The Scottish Government set out 12 intermediate outcomes in its legacy plan ([Exhibit 8, page 26](#)). Although they all indicate what the Scottish Government would like the plan to achieve, the Government has not established what level of achievement would reflect success. For example, the outcomes under the flourishing theme are to 'increase growth', 'increase movement' and 'improve the perception'. This is in line with the Scottish Government's National Performance Framework where no success measures are outlined. Similarly measures of success in Glasgow City Council's plan do not quantify achievement and are set out in terms such as 'increase' or 'promote'.

**81.** The wide-ranging nature of these outcomes means it is difficult to assess solely the impact of the Games and therefore levels of success are difficult to establish. For example, the performance of outcomes can be affected by external factors such as economic conditions, environmental factors or changes in government legislation, making it difficult to assess accurately the effect of the Games on these outcomes. Where analysis is possible, and a baseline can be established, the Scottish Government and Glasgow City Council should measure the contribution of the Games to demonstrate the impact of investment and value for money. The Government and Council plan to report on the economic impact of the Games in spring 2015.

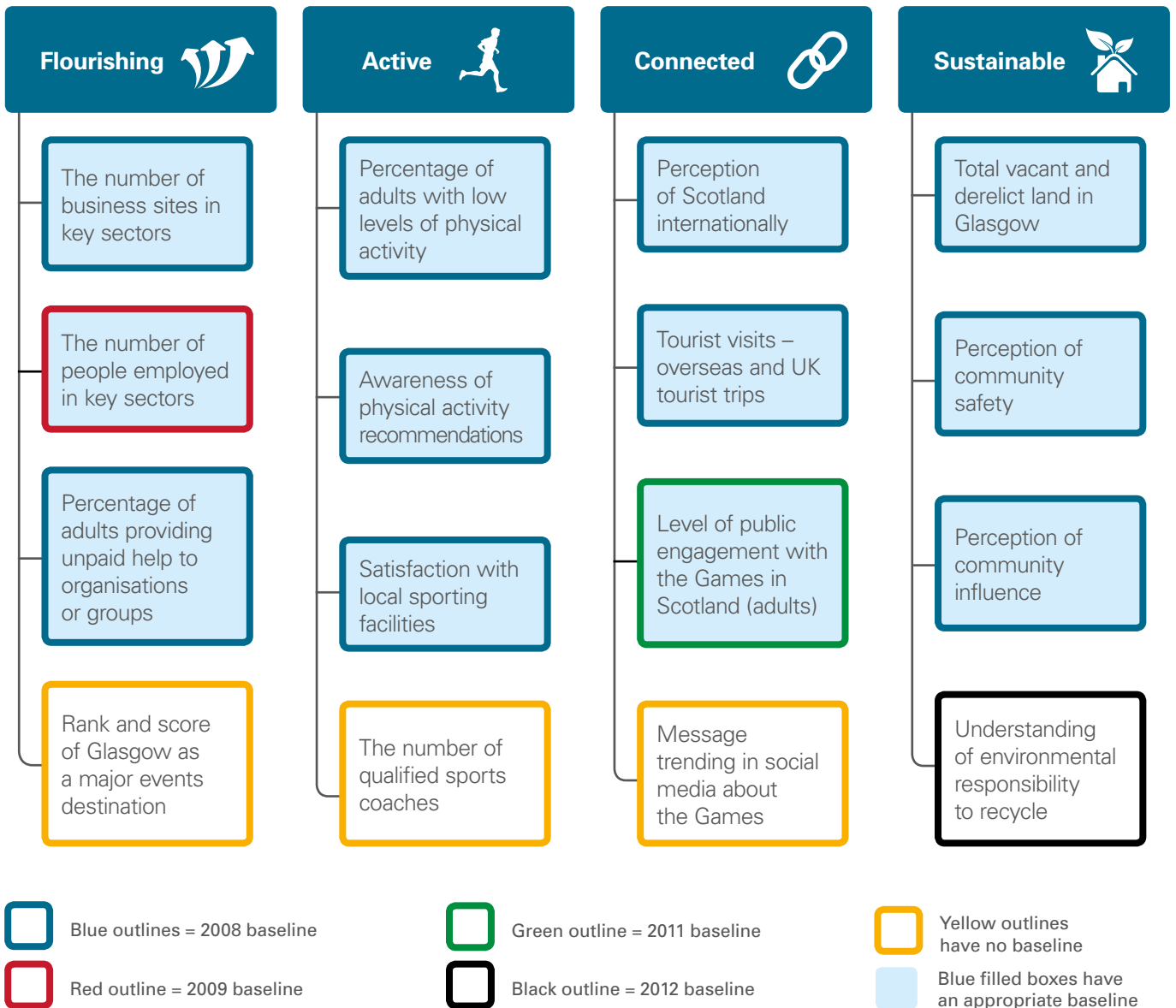
**82.** The Scottish Government describes the indicators as a 'canvas' or 'backdrop' against which preparing and running the Commonwealth Games, and their legacy, would take place. The indicators will be updated with information as it becomes available, where possible, twice yearly in spring and autumn. While the time period when we might expect to see a change in an indicator will vary, it is generally too soon to see changes in many that could be at least partially attributed to the Games. For example, the indicator for the amount of vacant and derelict land in the east end of Glasgow shows a decrease of 31 per cent from 118 hectares to 81 hectares between 2008 and 2013, reflecting Games-related activity. But at the time of the audit it is too soon to see the impact on future levels of tourism.

**83.** The GLEWG established an appropriate year, 2008, to measure baselines. It did so because 2008 was the first full year after the successful bid and before the launch of the Scottish Government's and Glasgow City Council's legacy plans.

**84.** Baselines are not available for all indicators. Of the 58 indicators, 47 have appropriate baselines. For the remaining 11, we would expect appropriate baseline data to have been gathered. Outwith these, 2008 baselines may not exist because data was not collected at the time, for example, message trending in social media, or because the outcome is intangible such as national or civic pride or memory of the event. Data is not available for 2008 on how many people worked in relevant business sectors such as construction or sports activities and

recreation because the preferred source of data, the ONS Business Register Employment Survey, was first collected in 2009. Lack of consistent baselines may make assessing the degree of any change more difficult ([Exhibit 11](#)).

**Exhibit 11**  
**Examples of indicators with, and without, appropriate baselines**  
 Evaluating legacy includes tracking a set of 58 indicators



Source: Audit Scotland

### There are already examples of successful legacy but it is too early to see change in most indicators

**85.** The Scottish Government and its partners established 59 national Legacy 2014 programmes to help achieve the legacy outcomes ([paragraph 64](#)). Sixteen of these programmes were specifically developed to help organise, or were directly related to, the Games and are now closed to new activity. Many, if not all, will continue to demonstrate benefits for the individuals or communities that took part. Examples of successful legacy programmes that have closed include the following:

- **Host Broadcaster Training Initiative.** This scheme used the Games to provide training opportunities for Scottish students to develop skills in broadcasting and participate in the live, global broadcast of the Games. Over 600 students received training of which more than 200 went on to gain work experience or placements during the 2014 Games.
- **Games for Scotland.** Councils, leisure trusts and cultural organisations could apply for grants of up to £10,000 to stage a Commonwealth-themed sports or cultural activity particularly around dance. The programme ran for four years up to and including 2014 and all 32 councils took part, with 16 taking part every year. In 2013, over 112,000 people attended one of the events.
- **Volunteering 2014** ([Case study 3, page 36](#)).

**86.** Nineteen programmes will close to new applicants at various times between 2015 and the end of the legacy monitoring period in 2019. Twelve are expected to remain in place indefinitely. Examples of each type of programme are shown in [Exhibit 12 \(page 37\)](#).

### Successfully delivering longer-term legacy will be challenging as pressures on public sector budgets continue

**87.** Identifying total funding for legacy projects and programmes is complex as it comprises a mixture of existing funds used to support programmes already with a Games element, specific legacy funds and in-kind support. In addition, the overall Games budget included funding that contributed not only to running the Games but also towards many aspects of legacy. Examples include improved facilities, training for volunteers and increased business growth. Without being clear on the overall costs and funding methods of legacy projects and programmes, it will be difficult for the Scottish Government and Glasgow City Council to demonstrate value for money. The Scottish Government and Glasgow City Council should clarify and publicly report the costs and sources of funding used to help deliver the Games legacy where possible.

**88.** The Scottish Government established a legacy budget of £5.5 million over the three years to 2014/15 in addition to £16 million from the UK budget from London 2012 spending. The 2015/16 draft Scottish budget earmarks £2 million for legacy programmes and £6 million towards developing a new national para-sports centre. In 2013/14, Glasgow City Council allocated £12.7 million from its Integrated Grants Fund to support 202 projects that contributed towards legacy outcomes.

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## Case study 3

### Volunteering at the Games



An important element of legacy for both the Scottish Government and Glasgow City Council is encouraging more people to volunteer. The Games provided many opportunities for large numbers of people to volunteer. To emphasise the inclusive theme of the Games, Big Lottery Fund provided £500,000 to help people who faced practical or financial barriers to volunteering.

**Clyde-siders** – Over 50,000 people applied to become one of the 12,500 clyde-siders. Wearing red and grey uniforms, clyde-siders' duties included ferrying athletes to venues, collating results and helping with any problems at pitch, track or poolside. With their permission, clyde-siders have been included in a Volunteer Scotland database so they can be directed to further opportunities for volunteering in their communities or at other major events.

**Host City Volunteers (HCV)** – Glasgow Life recruited around 1,200 people who live, work or volunteer in Glasgow to be Host City Volunteers. Particular effort was made to recruit from hard-to-reach groups. In blue and grey uniforms, HCVs welcomed and gave help and directions to people around the city.

**Police Scotland** – Over 80 Police Scotland Youth Volunteers (PSYV) provided support to Games safety and security staff. PSYV is a joint project between Police Scotland, Young Scot and YouthLink Scotland and aims to give young people the opportunity and skills to contribute to local policing priorities through volunteering. The Games was a catalyst for developing the PSYV network and the goal is to have at least one unit in every police division across Scotland.

Other volunteers were involved in many more roles including:

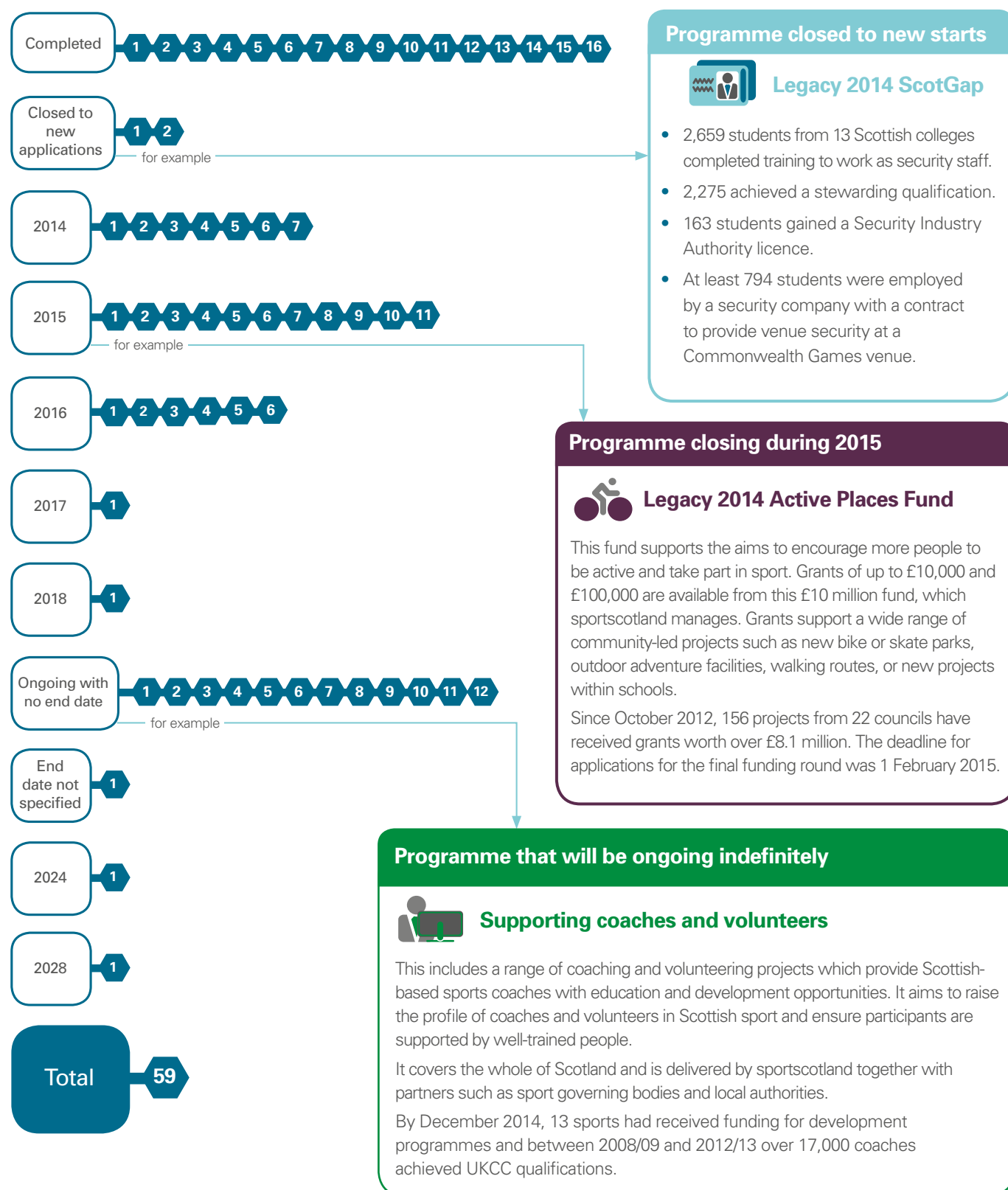
- around 3,000 cast members for the opening and closing ceremonies
- thousands who participated in the Queen's Baton Relay and associated events
- 80 recycling ambassadors recruited by Zero Waste Scotland to help visitors to separate their waste and ensure as much as possible was recycled. Zero Waste Scotland reported that 49 per cent of all waste was recycled during the Games.

Source: Audit Scotland

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## Exhibit 12 The Scottish Government's national legacy programmes

Twenty-five of the 59 national legacy programmes were due to be completed by the end of 2014



**89.** Many projects and programmes rely on financial support from other sources including the third sector. For example, the Big Lottery has so far funded £6.3 million in small grants to communities for volunteering in sport or physical activity. Similarly, the Robertson Trust is providing £575,000 funding between 2011 and 2018 towards the Active East project. The project aims to use sport and physical activity to help young people in the east of Glasgow raise their confidence, skills and motivation to contribute to their community. With ongoing pressures on public sector budgets over the next few years it will be challenging for the Scottish Government and Glasgow City Council and other councils to ensure legacy projects and programmes attract the necessary financial support. For example, City of Edinburgh and South Lanarkshire councils both included proposals for increasing charges, or reducing hours in leisure and culture services in their 2015/16 draft budgets.

### **Strong leadership is required to ensure legacy benefits are realised**

**90.** Following the Games, the Scottish Government and Glasgow City Council revised their governance arrangements to oversee and evaluate legacy. They have established appropriate arrangements that interlink with each other. It is too early to comment on their effectiveness as at the time of our audit, only initial meetings had taken place ([Exhibit 13, page 39](#)).

**91.** The Glasgow Legacy Board is the strategic body providing oversight of legacy by Glasgow City Council. The Council Leader chairs the Board and it includes representatives from Glasgow Life and the Scottish Government plus external members from the NHS, Tesco Bank and Manchester City Council. It reports to Glasgow City Council Executive Committee, the body accountable for the oversight and scrutiny of the delivery of the council's Games legacy.

**92.** The Scottish Government Games Legacy Partners Group oversees legacy – discussing and challenging progress. It is chaired by the Scottish Government Head of Active Scotland Division and comprises representatives from a wide range of partners including Glasgow City Council, COSLA, NHS Health Scotland, Department of Work and Pensions, Clyde Gateway, sportscotland and Volunteer Scotland. Accountability for individual legacy programmes lies with their funders (if appropriate), for example sportscotland or Event Scotland, or where they are embedded within business as usual, through normal governance arrangements. The Group's role is supportive rather than holding to account.

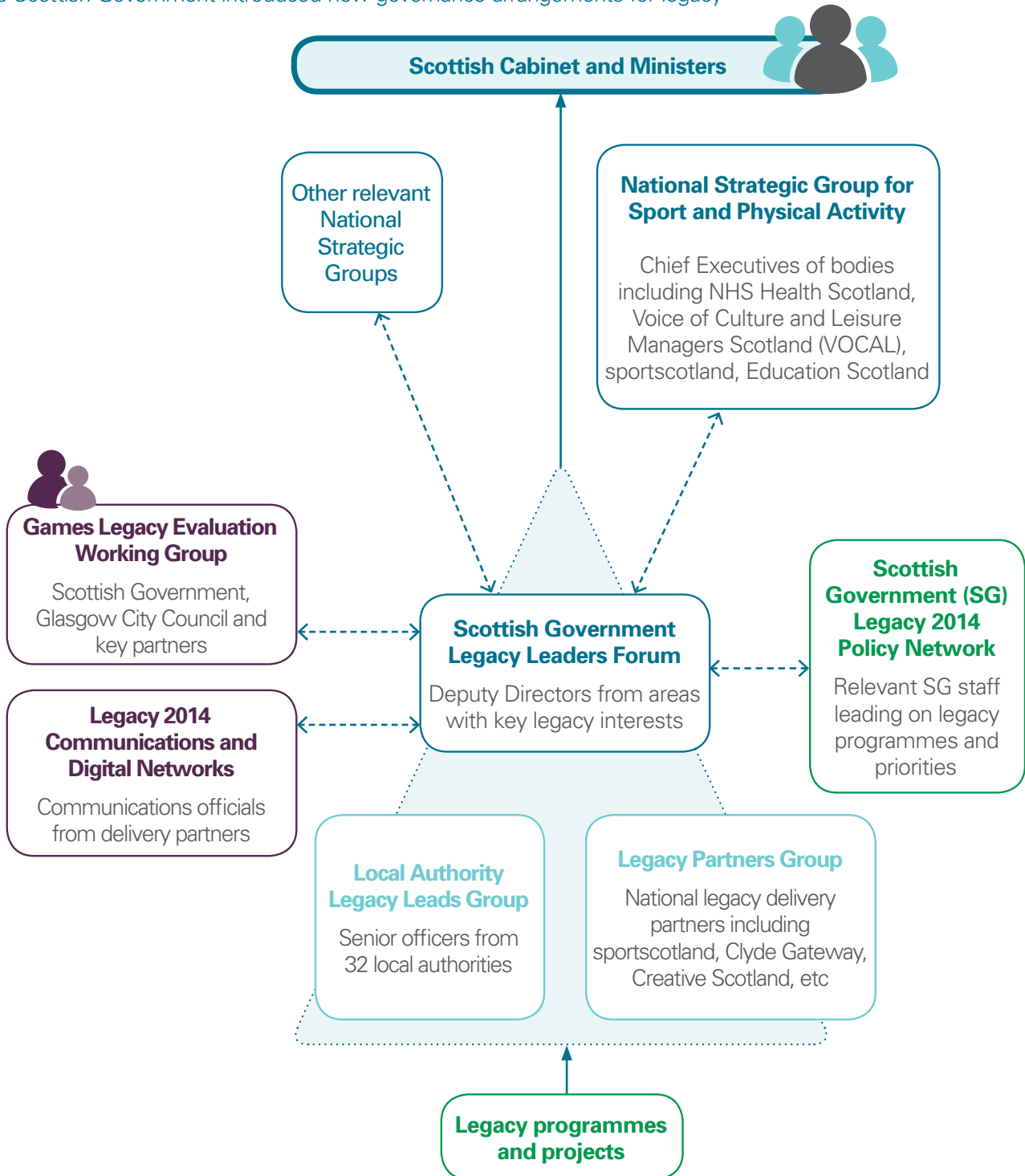
**93.** The newly formed Scottish Government Legacy Leaders Forum comprises senior Scottish Government officials and will be accountable for delivering legacy across all relevant policy areas. It will report to all relevant National Strategy Groups. The Forum held its first meeting in December 2014.

**94.** Evidence from the Manchester 2002 Commonwealth Games legacy evaluation showed that once the games had finished the legacy programme began having difficulties.<sup>6</sup> Strong leadership is therefore crucial to ensure Glasgow 2014 does not have these difficulties.

### Exhibit 13

#### The Scottish Government's governance structure for legacy

The Scottish Government introduced new governance arrangements for legacy



Governance/Accountability —————>  
 Liaison/Reporting <----->

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## Recommendations

### The Scottish Government and Glasgow City Council should:

- ensure that the Games evaluation due in 2015 specifically assesses the contribution to legacy outcomes to demonstrate, where possible, the impact of investment and value for money
- clarify and publicly report the costs and sources of funding attached to realising legacy benefits where possible
- disseminate the lessons learned from Games delivery and evaluation of legacy in order to inform future public sector projects including lessons learned from:
  - partnership working
  - transport planning
  - safety and security planning
  - governance arrangements
- review the effectiveness of legacy governance arrangements by the end of 2015 to ensure they remain fit for purpose.

### The Scottish Government should:

- extend the analysis period of the GoWell longitudinal study beyond 2016 to at least 2026.

### All councils should:

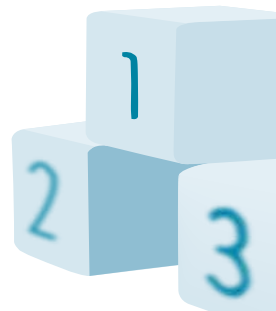
- monitor and report to the appropriate council committee on the legacy impact in their own areas.
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# Endnotes

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- ◀ 1 Glasgow 2014 Commonwealth Games Candidate City File, May 2007.
- ◀ 2 [\*Commonwealth Games 2014 Progress report 2: Planning for the delivery of the XXth Games Impact report and update on progress\*](#) [PDF] , Audit Scotland, May 2013.
- ◀ 3 *XXth Commonwealth Games Visitor Impact Study: Interim Report*, TNS, Steer Davies Gleave & Optimal Economics, November 2014. Commissioned by the Scottish Government, Glasgow City Council, Glasgow Life and Glasgow City Marketing Bureau.
- ◀ 4 Information about venue developments outwith the Games budget can be found in our March 2012 report, available at [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) .
- ◀ 5 *A review of the evidence of legacy of major sporting events*, Scottish Government Social Research, April 2014. *An evaluation of the Commonwealth Games legacy programme*, ECOTEC Research and Consulting Ltd.
- ◀ 6 *An evaluation of the Commonwealth Games legacy programme*, ECOTEC Research and Consulting Ltd.

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# Appendix 1

## Methodology

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The focus of our work was to examine whether the Commonwealth Games 2014 was delivered within budget and achieved value for money.

### **Our audit had five main components:**

- Interviews with senior officials from the strategic partners.
- Analysis of existing data including activity and performance against targets.
- Financial analysis of the costs involved in planning and running the Games.
- Desk-based research of information provided by the strategic partners about running the Games and planning for the Games legacy.
- Focus groups with community representatives in Glasgow.

Our audit work took place between August and December 2014.

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### **Interviews**

We interviewed groups and individuals, including telephone interviews with senior and strategic staff involved with the Commonwealth Games 2014 from the following organisations:

- Scottish Government
  - Glasgow 2014 Ltd (the Organising Committee)
  - Glasgow City Council
  - Commonwealth Games Federation
  - Commonwealth Games Scotland
  - Police Scotland
  - sportscotland
  - EventScotland
  - University of Strathclyde
-

### **Data analysis**

We reviewed documents, reports and other performance, risk and cost data supplied to us by the strategic partners to examine progress in establishing arrangements for realising and monitoring legacy benefits. We analysed benchmarking information from previous Commonwealth Games, including Manchester 2002 and Melbourne 2006. This included comparing actual income from sponsorship and other income streams and costs compared to plans. We were not able to include the Delhi 2010 Games because of a lack of information.

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### **Financial analysis**

We reviewed the outturn against the Games budget. We examined various private income streams including sponsorship, merchandising, broadcasting and ticketing. Where possible we benchmarked progress against previous Commonwealth Games. Our main focus of this work was to find out if the Games were delivered within the approved budget. We also reviewed other costs of the Games to other public sector organisations.

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### **Desk-based research**

We reviewed documents provided by strategic partners or available on the internet. Our research included reports on previous Games such as those held in Manchester, Delhi and Melbourne and the London 2012 Olympics.

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### **Focus groups**

We held separate focus groups with community representatives from the east end of Glasgow and from other parts of the city to find out their views on, and experience of, the Games legacy.

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# Appendix 2

## Advisory Group



Audit Scotland would like to thank members of the advisory group for their input and advice throughout the audit.


Member	Organisation
Carole Forrest	Acting Executive Director of Corporate Services, Glasgow City Council
Douglas McCormick	Financial Controller Commonwealth Games, Scottish Government
Hedley Ayres	Senior Analyst, National Audit Office
Ian Reid	Chief Financial Officer, Glasgow 2014 Ltd
Jennifer Hamilton	Head of Legacy 2014 Team, Scottish Government
Jon Doig	Chief Executive, Commonwealth Games Scotland
Mary Allison	Head of Strategic Planning, sportscotland
Robert Rogerson	Research Coordinator for the Glasgow 2014 Research Partnership
Steve Allen	Deputy Chief Constable, Police Scotland

Note: Members of the project advisory group sat in an advisory capacity only. The content and conclusions of this report are the sole responsibility of Audit Scotland.

# Commonwealth Games

## Third report

This report is available in PDF and RTF formats, along with a podcast summary at:  
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