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News release

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Preparations for Glasgow 2014 Commonwealth Games on track but key risks remain

Planning for the Glasgow 2014 Commonwealth Games is on track but there are risks to particular projects. The organisers are managing these but are unable to completely eliminate them.

An Audit Scotland report published today, *Progress report 2: planning for the delivery of the XXth Commonwealth Games 2014*, says that the main organisers (Commonwealth Games Scotland, the Scottish Government, Glasgow City Council and Glasgow 2014 Ltd) are committed to delivering the Games to the required standard within the approved £524 million budget.

When fieldwork for this report was carried out in November, planning was generally where it should be at this stage and all venues and other infrastructure projects were forecast to be ready on time for the Games and within budget. However, there are key risks in delivering some developments, including the Athletes' Village and the development of Hampden Park as a track and field athletics venue.

Hampden Park and the Athletes' Village are due to be completed less than five months before Glasgow hosts the Games in July and August 2014. If difficulties arise more money may be needed to ensure they are ready in time.

There is also a risk that security costs may be higher than expected based on the experience of other Games. Security planning for the Glasgow Games is still at a relatively early stage and it is not yet clear whether the security budget is expected to cover all security costs.

The pace of preparation for this type of event typically increases from around this stage onwards. A key priority for the Games' Organising Committee is making sure it recruits sufficient and experienced staff at the right time to continue the good progress. It is currently reviewing its staff requirements in order to do this.

Auditor General for Scotland, Robert Black, said: "Arrangements for hosting the Glasgow 2014 Commonwealth Games are currently on track, with all venues and infrastructure forecast to be ready in time and on budget. Because around 70 per cent of the infrastructure is already in place, the risks involved in this major project are less than for other Games.

"Nevertheless an event like this is always going to have risks. At this stage, the organisers are identifying and managing these risks but cannot eliminate them completely. The key risks are potential cost increases. Many aspects of the Games are still under development and therefore these costs are uncertain. The organisers aim to deliver the Games within the £524 million budget, and to do this they will need to maintain tight control over spending and review their plans and budgets regularly."

The Games are intended to have lasting benefits for the people of Scotland. The Scottish Government and Glasgow City Council have legacy frameworks for the Games that include encouraging physical activity, learning and cultural creativity, driving business development and community regeneration, and increasing employment opportunities.

Chair of the Accounts Commission, John Baillie, said: "Considerable amounts of money, time and expertise are being invested in delivering a successful Commonwealth Games. All partners are aware of the major opportunity to leave a lasting legacy for both Glasgow and Scotland, plans are in place and some benefits are already being seen. It is clearly important to manage closely the key risks that have been identified and build on the progress already made."

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Notes to Editors:

1. Glasgow will host the Games from 23 July to 3 August 2014.
2. The report provides a position statement as at November 2011. This was a live audit of a programme where the position is constantly changing and there will have been developments since the audit was completed. Therefore the report cannot give absolute assurance that the Games will be delivered successfully on budget.
3. A key feature of the bid was that 70% of infrastructure was already in place. The Games budget is £524 million, and an additional £307 million is being spent on modifying existing facilities that that will be used during the Games.
4. The Athletes' Village, where athletes will stay, is due to be completed by February 2014. Various risks could lead to delays and cost increases. Hampden Park stadium will be used for the athletics events and the closing ceremony, and is due to be completed less than five months before the Games. As it is a technically innovative project it presents a higher risk of delays and increases to the £28 million cost. Any extra cost would need to be met from the Games budget.
5. The extent of the various contributions to the funding of the Athletes Village is commercially sensitive and cannot be reported by Audit Scotland.
6. The Scottish Government is ultimately responsible for meeting any shortfall in the security budget.
7. Audit Scotland's previous report on preparations for the Games can be found at http://www.audit-scotland.gov.uk/work/central_national.php?year=2009
8. All Audit Scotland reports published since 2000 can be found on Audit Scotland's website www.audit-scotland.gov.uk. Audit Scotland has prepared this report jointly for the Auditor General for Scotland and the Accounts Commission for Scotland:
 - The Auditor General is responsible for securing the audit of the Scottish Government and most other public bodies in Scotland, except local authorities. He investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Auditor General is independent and is not subject to the control of the Scottish Executive or the Scottish Parliament.
 - The Accounts Commission looks at whether local authorities, fire and police boards spend public money properly and effectively.