

Commonwealth Games 2014: Progress report on planning for the delivery of the XXth Games

Summary impact report (1 year)

The report findings and recommendations

1. This paper outlines the impact of *Commonwealth Games 2014: Progress report on planning for the delivery of the XXth Games*, a joint Accounts Commission and Auditor General for Scotland performance audit report published on 19 November 2009.
2. The report is the first in a series of reports on the Games. It provides an early assessment of the four strategic partners' governance, risk management, financial management and programme management arrangements. The four strategic partners are the Scottish Government, Glasgow City Council, Glasgow 2014 Ltd (known as the Organising Committee), and Commonwealth Games Scotland. The first three are also the main delivery partners.
3. The report's main findings were:
 - There is a clear high level governance structure and the strategic partners understand their responsibilities and are committed to joint working to deliver the Games. The strategic partners have set up several joint working groups at operational level, although the status and lines of accountability of these are not always clear.
 - Strategic partners are learning from the experience built up in other Commonwealth and Olympic Games. A key lesson is that there is a high risk of staff changes and a subsequent loss of knowledge in the lead up to the Games. The strategic partners are at different stages of planning to manage this risk.
 - The strategic partners are developing their own programme plans independently to manage their responsibilities for the Games and all are at different stages of completing their plans. There is not yet an overall Games programme plan across all the partners which includes all of the key milestones and interdependencies, although the Scottish Government intends to do this once all of the individual plans are complete.
 - The strategic partners are adopting a structured approach to risk management for delivering the Games. They have still to refine their overall Games risk register, cost their agreed actions to manage each risk and fully implement their arrangements for managing the risks across the programme.
 - The estimated cost of delivering the Games at August 2009 was £373 million. A further £269 million had already been committed towards developing venues before the bid. These estimates had not been updated since 2007 and may not be sufficient to deliver the current plans.

4. The report contained 12 key recommendations for the partners covering each of the four key areas including in the review.

Media interest, downloads and presentations

5. The report generated around 58 press articles, plus a further 25 articles on websites. This exceeds the Audit Scotland report average of 50 media items. Coverage included television, national press and radio, local press and radio, and specialist publication articles.
6. A lot of the coverage focused on the timescales for delivering the Games infrastructure projects, including venues and transport systems. Other coverage mainly focused on the cost of the Games and the budget increase, which the partners' had announced earlier in the week that the report was published.
7. The numbers of report, key message and podcast downloads from Audit Scotland's website are lower than average. Download activity over the year following publication is summarised below

Downloads	Downloads to November 2010	Average
Main report (pdf and rtf versions)	1628	3233
Key messages	771	466
Podcast	183	420

8. Carolyn Smith (Project Manager) and Tricia Meldrum (Portfolio Manager) attended Glasgow City Council's Finance, Risk and Scrutiny Committee on 24 February 2010 to provide a briefing on the report and our plans for future work.

Parliamentary scrutiny

9. The Deputy Auditor General briefed the Parliament's Public Audit Committee (PAC) on 2 December 2009. The Committee took evidence from the four strategic partners in January 2010 and published its own report on 7 October 2010. This included 15 recommendations for the partners on managing the budget, monitoring income projections, managing and monitoring specific infrastructure projects, particularly managing the risks of slippage, risk management and staff continuity.
10. Since the report was published, MSPs have raised 27 parliamentary questions about the Commonwealth Games. These have covered a range of issues, including the four partners' respective responsibilities, the Games budget and spend to date, broadcasting rights, legacy planning and the partners' attendance at the Delhi Games.

Developments since the report

11. We had update meetings with the Scottish Government, Glasgow City Council and Glasgow 2014 Ltd in April 2010 and we are having further meetings in January 2011. These meetings are an opportunity to discuss progress against the recommendations and get a general update on developments.
12. From these update meetings, documentary evidence and the Scottish Government's response to the PAC report, there is evidence of progress on governance, risk management, financial management and programme management arrangements. The only recommendation not addressed is costing planned mitigation actions for risks – both the Scottish Government and Glasgow City Council have said that they do not consider it appropriate to cost mitigating actions for all risks. Appendix 1 lists the key recommendations in the report against Audit Scotland's impact framework.
13. In May 2010, Glasgow 2014 Ltd published its Annual Business Plan for 2010/11. This includes, for the first time, a budget figure adjusted for inflation of £523.6 million. This compares with the original budget of £373 million included in the 2007 bid and the adjusted figure of £454 published in 2009, both of which are in 2007 prices.

Longer-term impact

14. We will continue to monitor the partners' progress through quarterly meetings with the three delivery partners and through liaising with Glasgow City Council and the Scottish Government's local auditors. In addition, we will be carrying out a further audit in 2011.

Conclusion

15. We carried out this review at an early stage in planning for the delivery of the Commonwealth Games so that we could make recommendations to help the partners identify any areas for improvement at that stage. Our monitoring work to date shows that the partners have taken account of most of the recommendations and there is evidence of developments in most areas. We will be starting our second review of planning for the Commonwealth Games in June 2011. We aim to publish the report by the end of 2011 and this will provide more information on progress.
16. This report has had an impact, particularly in terms of assurance and accountability at the early stage of planning for the Games, and improving planning and management across the strategic partners.

Appendix 1 – Summary of anticipated report impact by Audit Scotland's framework for measuring impact

Rec	Audit Scotland recommendation	Assurance & accountability	Planning & management	Economy & efficiency	Quality & effectiveness
1	Strategic partners should document the purpose, responsibilities, membership, and lines of reporting for all cross-partner working groups to ensure all partners have a consistent understanding and that the accountability of the groups is clear	•	•		•
2	Strategic partners should develop and continue to review plans for managing staff continuity and ensuring that knowledge is retained in the organisation following any changes in key staff	•	•	•	•
3	Strategic partners should review and update the overall Games risk register to ensure similar and related risks are scored consistently	•	•		
4	Strategic partners should fully assess the potential consequences associated with the private sector contribution to, and investment in, the Games, including the potential impact on public sector funding	•	•	•	
5	Strategic partners should estimate the cost of their plans to manage risks to ensure these are realistic and affordable	•	•	•	
6	Delivery partners should agree the required tasks to deliver on areas of joint responsibility and develop formal agreements to ensure these are allocated and managed appropriately.	•	•		
7	The Scottish Government should complete its programme plan to manage its responsibilities for the Games across its directorates by December 2009	•	•		
8	The Scottish Government should collate the key milestones from all partners' plans into an overall Games programme plan to ensure it has appropriate oversight as the principal guarantor for the Games by March 2010	•	•		

9	The Scottish Government should coordinate its risk management approach, including aligning its risk registers and reporting systems for managing its own risks in relation to the Games across the Scottish Government.	•	•		
10	Glasgow City Council should estimate the cost of its plans to manage risks to its Games-related infrastructure programme to ensure these are realistic and affordable.	•	•	•	
11	The Organising Committee should review the underlying budget assumptions that are subject to uncertainty, at least annually, to determine whether these have changed materially and make recommendations to the Strategic Group on the budget accordingly	•	•	•	•
12	The Organising Committee should continue to explore opportunities for making savings and increasing income, while delivering the Games to a good standard and fulfilling its obligations in the host contract with the Commonwealth Games Federation.	•	•	•	•