



Department for
Digital, Culture,
Media & Sport

Sarah Healey CB
Permanent Secretary
DCMS
100 Parliament St London
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Ms Hillier MP
Chair of Public Accounts Committee
House of Commons
London
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30th August 2022

Dear Ms Hillier,

Accounting Officer Assessment: Commonwealth Games 2022

The Commonwealth Games programme is a Government Major Project that has invested £778 million in Birmingham and the West Midlands to stage the 2022 Commonwealth Games and its legacy for the city and wider region. The Games, which finished earlier this month, was the biggest sporting event ever held in the city, featuring thousands of world-class athletes and over a million spectators. With an estimated TV audience of 1.5 billion, the Games showcased Birmingham, the West Midlands and the entire country to the rest of the world as a destination for international trade, education, and world class sport and tourism.

It is normal practice for Accounting Officers to scrutinise significant policy proposals, or plans to start or vary major projects, and then assess whether they measure up to the standards set out in Managing Public Money. From April 2017, the government has committed to make a summary of the key points from these assessments available to Parliament for projects within the Government's Major Projects Portfolio (GMPP). This Accounting Officer assessment considers the four standards of regularity, propriety, value for money and feasibility.

Background

The 2022 Commonwealth Games were, until early 2017, due to be hosted in Durban, South Africa. Following a number of financial concerns and failures to meet guarantees, the Commonwealth Games Federation (CGF) withdrew the hosting rights from Durban and started looking for an alternative host.

On 21 April 2017, the Department for Digital, Culture, Media and Sport announced that it was launching a process to determine whether or not the government should support a UK city in bidding for the 2022 Commonwealth Games and, if so, which city from those that expressed an interest (namely Birmingham and Liverpool) should be selected to be put forward to the CGF.

The decision to select Birmingham as the preferred candidate city was approved by Ministers based on a robust UK city selection process, in which both cities' proposals were assessed against a range of 20 different criteria. A host city contract confirming that the Games would be held in Birmingham was agreed with the CGF in December 2017.

Birmingham 2022 was not just about eleven days of sport: the Games has opened and will continue to open up a wealth of opportunities for people across the West Midlands and the UK, including cultural engagement, business and trade, volunteering, physical activity, jobs and skills, education and tourism. The Games delivered a fully-integrated and inclusive para-sport programme, building on the inspiring successes of Glasgow 2014 and Gold Coast 2018 and will leave a lasting legacy for Birmingham and West Midlands.

There were some **important firsts** for the Commonwealth Games:

- Delivery in record time: **4.5 year timeline** rather than usual 7 years;
- More women's medals than men's;
- The biggest integrated programme of para sports; and
- The first Games with a dedicated social charter.

The Birmingham 2022 Organising Committee (OC), which has responsibility for organising and delivering the Games, was established as a government Arm's Length Body. The Games safety and security programme was led by West Midlands Police, working closely with the OC and other partners.

A number of other projects have been/are being delivered by Birmingham City Council and Sandwell Metropolitan Borough Council, both for the Games and a long-lasting legacy for the region:

- The new **Sandwell Aquatics Centre** in Smethwick, providing state-of-the-art leisure facilities.
- The refurbishment of **Alexander Stadium** to create a world class athletics venue along with new community sports facilities.
- The Perry Barr Regeneration Scheme, which will create more than 1,400 new homes for this part of the city. While the decision was taken not to use them as a Games village, they will still be delivered as planned by Birmingham City Council as a key part of the legacy from the Games.

The government funding for the Games was approved by HM Treasury in June 2019, following a detailed review of the budget requirements. The government provided approximately 75% of the public funding for the Games with the other 25% coming from Birmingham City Council and a number of its key partners.

The government also committed to a number of guarantees and to an underwrite of the organisation and delivery of the Games to meet the Commonwealth Games Federation's requirements for hosting the Games. These were set out in a departmental Minute on 9 October 2017.

Regularity

I assess the Commonwealth Games programme as regular. Spending relies on existing primary legislation and the funding provisions in the Birmingham Commonwealth Games Act 2020, which

enable the Secretary of State to provide financial assistance to the Organising Committee. Funding for the local authorities and for West Midlands Police can be made available under existing legislation. Spending will be compliant with UK and European law (so far as relevant), including rules on subsidy control.

Propriety

I assess the Commonwealth Games programme as proper. It was compliant with parliamentary control procedures and expectations. Careful consideration was given to interaction with other parts of the public sector and the programme's consistency with overall government policy.

Value for money

The Commonwealth Games programme is being delivered in accordance with Managing Public Money guidance to ensure best value for the public sector investment. The cost benefit analysis conducted for the Full Business Case shows that Birmingham could stage the Games in a manner in which the public sector investment would be justified by the benefits. The experience from previous Games has been positive: Gold Coast 2018 Games is expected to have delivered a £1.3 billion boost to the Queensland economy, and Glasgow 2014 contributed more than £740 million to Scotland's economy. The Games has also provided a significant opportunity for local and regional suppliers.

Feasibility

The Games was delivered within a tight timetable of four and a half years rather than the usual seven. A number of the venues for the Games were already in place, and construction was completed on time and to budget for the Aquatics Centre and the redevelopment of the Alexander Stadium. The Infrastructure and Projects Authority conducted a blended Gate 0/4 Review in February 2022 and provided a Delivery Confidence Assessment (DCA) of Amber, as did their previous Performance Assessment Review DCA in November 2020. The programme will undertake a closure review before it leaves the Major Programmes Portfolio.

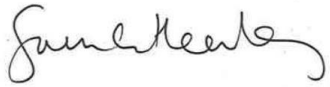
Conclusion

As the Commonwealth Games programme enters the close down period, I have considered whether the programme continues to satisfy the Accounting Officer standards of regularity, propriety, value for money and feasibility. I am satisfied that the Commonwealth Games programme relies on clear legal powers, meets the standards in Managing Public Money and accords with the generally understood principles of public life, representing value for money for the Exchequer as a whole, and was feasible to deliver.

As the DCMS Accounting Officer I considered this assessment of the Commonwealth Games programme and approved it on 24th August 2022. I have prepared this summary to set out the key points that informed my decision.

This summary will be published on the government's website (www.gov.uk). Copies will be deposited in the library of the House of Commons, and sent to the Comptroller and Auditor General and the Treasury Officer of Accounts.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sarah Healey". The signature is fluid and cursive, with a prominent loop at the end.

Sarah Healey
DCMS Permanent Secretary