

Report to: Economy, Skills and Transport Overview and Scrutiny Committee

Date: 15 February

Report of: Leader of the Council, Cllr Ian Ward

Subject: Commonwealth Games 2022 – Update

1. Background

Following an extended bidding process between June and December 2017, Birmingham was formally awarded the Commonwealth Games on 21st December 2017.

Details of the Council's bid, relevant financial information and the benefits to the Council of bidding on the Council were presented to Cabinet in a range of reports, some public, some private, on 14th June, 15th August, 14th November and 8th December 2017, and in reports to Full Council on 5th December 2017 and 9th January 2018.

This report is an update on progress since the award of the Games in December.

2. Governance

It is important to recognise that there will be both internal and external governance processes for the Games and that BCC will have responsibilities and accountabilities in both areas. This will result in a degree of unavoidable complexity due to the number of partner agencies involved in delivering the Games themselves and the wider physical infrastructure and supporting work streams (e.g. Legacy, culture, volunteering etc.). However, all parties are committed to simplifying and streamlining processes and reducing costs where we are able to do so.

The below groups will form the external governance for the Games up until Games time – at which point Games time governance structure, known as the Command, Coordination and Communication (C3) model will take over for the Games operational period. However, it is anticipated that key aspects of the extant governance structures will be adapted into an appropriate model to support the operational and tactical nature of decision making and rapid issue resolution during Games time.

2.1 External Governance

Strategic Board

The purpose of the Strategic Board is to provide strategic direction, guidance and oversight of Games-wide planning and delivery of contractual obligations, Games vision and legacy. Membership of the Strategic Board will include the Chair or equivalent from CGF, CGE, DCMS, BCC, WMCA and the OC. It is anticipated that there will also be a number of standing attendees at the Strategic Board meetings to ensure an appropriate level of discussion, including the senior executive level officers or equivalent for each of the HCC signatories as well CGF Partnerships, and leadership from the Police representing cross-partner/integrated security operations and Transport for the West Midlands (TfWM) representing cross-partner/integrated transport operations.

The Strategic Board will be chaired by the Minister for the Commonwealth Games.

Organising Committee

The prime mechanism for the delivery of the Games is the Organising Committee and first governance task for external partners is to formally create this, which will be an Arm's Length Body of DCMS (Department for Culture, Media and Sport). The OC is the delivery body for the Games themselves. All legal arrangements to create the company are being led by the CGDU (Commonwealth Games Delivery Unit), a specific department within DCMS.

DCMS are leading on the recruitment of a Chair, Deputy Chair and 4 independent Non-Executive Directors for the Organising Committee Board, via public appointments process. This will be managed by DCMS but appointments will be made in collaboration with all partners.

The remaining 8 Board members are nominees from the partner organisations – 2 from DCMS, 1 from BCC (with a LEP observer member), 1 from WMCA (West Midlands Combined Authority), 2 from CGF (Commonwealth Games Federation) and 2 from CGE (Commonwealth Games England). There will also be an observer member from CGFP (Commonwealth Games Federation Partnerships – the consultancy arm of the CGF).

Once the majority of the Board is in place it will be possible to move to recruiting the Chief Executive of the OC, and then other key executive members.

Chief Executives Group

The Chief Executives Group will operate behind and beneath the Organising Committee and will be comprised of CEOs or equivalent from each of the key partners (BCC, WMCA, CGF, GCDU, WMP and operational leads from BCC, TFWM and CGFP). Its role is to facilitate coordinated cross-partner communication and decision making in support of the resolution of cross-partner operational and tactical risks and issues.

An initial meeting of the Chief Executives' group took place on Monday 29th February, to discuss immediate work requirements, both in terms of the creation of the OC, but also necessary 'first 100 days' issues for the Games themselves. During the time period between now and the establishment of the OC and the wider strategic governance, the Chief Executives ' Group will be the leading decision making body for external Games related issues.

Other External Strategic Boards

There are a number of other external boards, which are in the process of being created or will be created as activity progresses.

Budget Oversight Group

The purpose of the Budget Oversight group is to monitor the whole-of-programme budget and financial risks associated with the planning, preparation and hosting of the Games. Membership is comprised of senior finance representatives each of the OC, CGDU, Treasury, BCC, WMCA, Police (representing integrated security operations); and CGF Partnerships. This group will support integrated Games finance planning across all partners and agencies including the provision of

reports, guidance and advice to the CEO Group on the Games budget, financial risks and contingency arrangements, as required.

Cross Partner Programme Group

The purpose of the Cross-Partner Programme Group is to support the establishment and ongoing management of a 'single source of truth' for Games wide status, risks and issues information being provided to the Chief Executive's Group and Strategic Board.

Security Board

Security is a key area for the Games, especially given the heightened level of threat under which the Games are likely to be operating. There will be an external security board chaired by the Home Office, with membership comprised of Cabinet Office, CGDU, BCC, WMP, MOD (Ministry of Defence) DoH (Department of Health) and the OC. There will be a specific security directorate within the OC structure which will report directly to this board, linking into relevant working groups and the National Police co-ordination group.

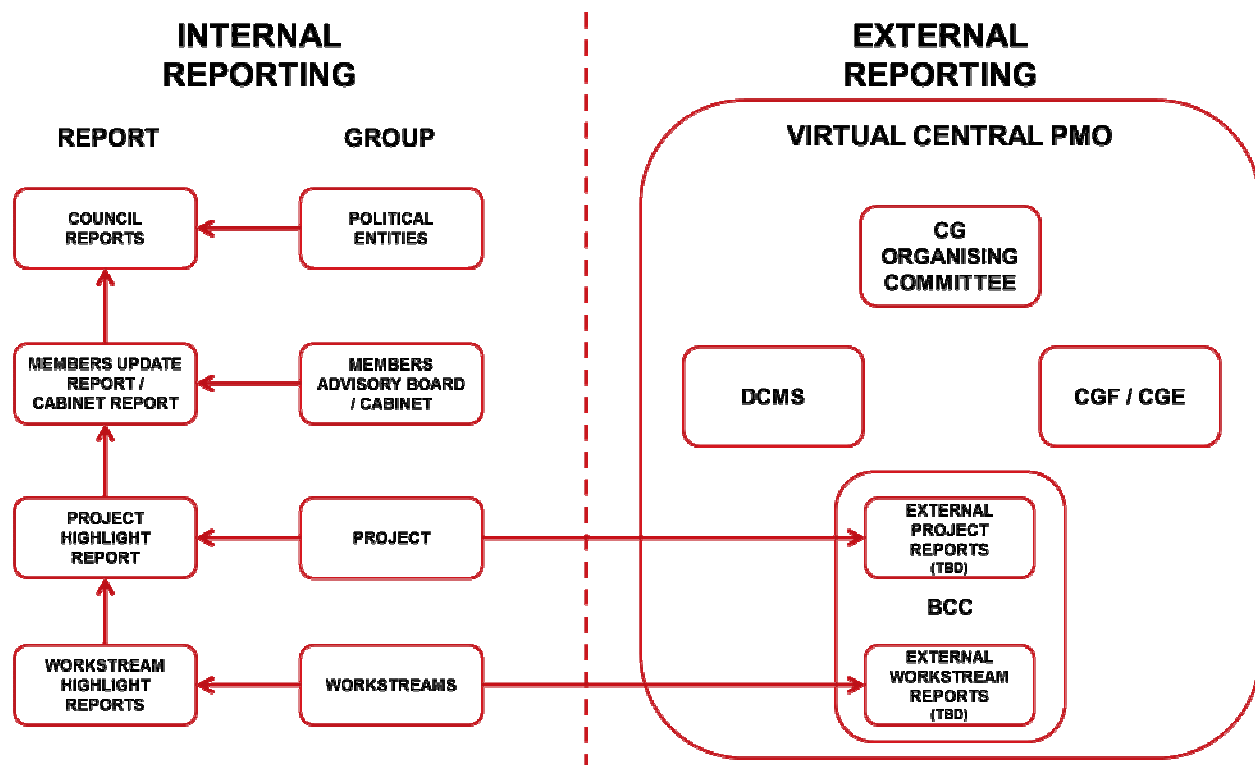
Local Boards

On a more local level we will also be working to establish a Stakeholders Group with a Sub Group of funders and a Local Authority Partners Group (for venue hosting local authorities). The membership and logistical arrangements for these boards is to be finalised, but the intention is that they will ensure cross-organisational communication and involvement in all regional Games issues. In addition, we will also continue to utilise existing regional governance (such as LEP boards, WMCA boards etc.) where appropriate.

2.2 Internal Governance

At present it is proposed that we continue to use the Council's extant formal decision-making and delegation mechanisms for Games related decisions, rather than (for example) creating a specific Cabinet Committee. However, a paper has been taken to Council Business Management to agree the creation of a Members Advisory Group to ensure political oversight of the elements of Commonwealth Games delivery that are the responsibility of the Council. The Members Advisory Group will be comprised of 8 councillors- 5 Labour, 2 Conservative and 1 Liberal Democrat (as per proportionality requirements). The terms of reference for this group will be discussed and agreed at the first meeting, which is being scheduled for February.

In terms of project delivery, the Council will be adopting industry standard project and programme management methodologies to co-ordinate activity and monitor delivery across directorates. This will also ensure our methodology aligns with that of our delivery partners. Individual themes of work will be divided into workstreams, each with accountable and responsible senior BCC officers who will report regularly both internally and externally. The details of initial work streams are currently being finalised. Risks, issues and dependencies will also be robustly managed. The structure for decision making is as below:



The Council will be appointing an overarching Project Director, who will report directly to the Chief Executive and will have overall responsibility for the delivery of all of BCC's Games activities, as well as liaison with all external partners, government and local and national politicians. It is hoped that an individual will be secured by early March, and a start date agreed as soon as possible.

3. Finance

As members will be aware from previous reports to Cabinet and Full Council, total funding for the Games is being split between a Government contribution of 75% and a regional contribution of 25% of the total cost. The regional contribution itself is made up from a variety of sources – BCC, WMCA, LEPs, Midlands Engine, Universities etc.

A key part of the '100 days' work is a high-level bid budget review to re-evaluate the projected Games costs, with a view to identifying areas where costs can be reduced if possible. This review is being led by CGDU / CGFP, with BCC providing input and expertise on the areas that are within BCC's remit.

The Council has also set aside dedicated revenue resources of £5.0m over the next five years to fund Commonwealth Games project costs. The final revenue project costs of the Games have not yet been agreed. The Council continues to pursue discussions with the Government to identify the funding streams for the revenue resources required to deliver the Games, including consideration of a "Hotel Levy" and the ability to raise a Supplementary Business Rate without the requirement to hold a ballot.

The Games will also require significant capital investment by the City Council in sports venue improvements (especially at the Alexander Stadium), capital grants to the Organising Committee (as part of our 25% contribution to the costs of the Games), and building the Commonwealth Village

(Athletes Village) which will be converted to residential housing after the Games. These will not be included in the capital programme until costs have been agreed with the newly-created Organising Committee. However, capital and revenue budgets for initial City Council development and site preparation costs have been included in 2018/19.

4. The Athletes' Village

Members will be aware that the council will be acting as the developer for the development of the Commonwealth Village (Athletes Village). This decision has been taken as it represents better value for money from a Council perspective, but also because it enables us to exert greater control over the legacy of the development. This ensures that the homes created both on the Village site and through the subsequent wider re-development of Perry Barr contain a full range of tenures, including homes for sale and market rent, and for social and affordable rent. Based on the current proposals, although local consultation has yet to take place, the accommodation created on the Village site will be a mix of 1 & 2-bed apartments and 3 & 4-bed town houses however work is on-going to refine this mix, given that the residential accommodation will have a "life" after the Games. Post Games there will be a legacy of c1000 new homes on the site, with between 3000 - 4000 new homes in total created as part of the wider Perry Barr masterplan.

The funding for the Village and for the wider work in Perry Barr is coming from a combination of WMCA Land Remediation Funding (LRF), a bid to the Government's Housing Infrastructure Fund (HIF) and from prudential borrowing. After the Games, the Council will convert the village to residential housing with the intention that the borrowing would be partly repaid from housing sales proceeds, with the cost of the remaining borrowing met from rental income. Homes will be delivered through the Council's own housing vehicles which already deliver both the Birmingham Municipal Housing Trust and InReach programmes.

Progress on the Village has continued, with the Heads of Terms being issued for the acquisition of the parcels of land required to deliver the accommodation. The Village team are working closely with the CGF regarding the 'temporary overlay' (i.e. temporary ancillary features which will be removed after the Games such as shops, dining facilities, a medical centre, team offices, storage space for teams and officials and also a transport mall which will be used to take athletes and officials to and from their events) to ensure that specific requirements are being met and that these do not compromise the Council's need to ensure that the development is of a high quality, is sustainable, and meets local housing and infrastructure requirements for the community.

All of the Village accommodation and the temporary facilities will need to be constructed prior to the handover period, which will be ahead of the commencement of the Games in July 2022. This is clearly a hugely ambitious and challenging target.

5. Alexander Stadium

The other major capital project for BCC for the Games will be the redevelopment of Alexander Stadium. As set out in the cabinet report, the Stadium will be improved to provide a permanent

capacity of 20,000, with a temporary overlay for the Games bringing capacity to 40,000. The work will also result in improved stands, a new 6 lane 400m warm up track and the potential to enhance community facilities further in the future. The work to redevelop the Stadium is funded from OC budgets.

The Stadium redevelopment will be project managed by the Council, with input from the CGF on Games – related issues. As with the Village development, the primary ambition is to deliver a high quality Stadium that will work for the community post-Games, whilst meeting the necessary Games-time requirements of the CGF.

6. Aquatics Centre – Sandwell

The new aquatics centre will be sited in Londonderry Lane, Sandwell, and jointly funded by Sandwell MBC and the OC. The project will be managed by Sandwell MBC, working closely with BCC and the OC to ensure that the Aquatics Centre meets specific Games requirements as well as local requirements for citizens in Sandwell.

7. Transport

Delivering the Transport arrangements for the Games will be a complex and challenging task, requiring strong and sustained partnership working between ourselves, Transport for West Midlands (TfWM), other local authorities and regional and national transport providers / agencies, as well as with the OC. Being awarded the Games has provided a catalyst for accelerating and bringing forward transport infrastructure investment projects such as Bus Rapid Transit (Sprint) along the A34 (Walsall Road), A45 (Coventry Road) and A38 between Sutton Coldfield and Birmingham city centre, highway and cycling improvements along the A34, A444, A4050 and A38 and rail improvements including Longbridge, University stations and Perry Barr stations, as well as additional schemes to be announced as part of the West Midlands Rail Franchise.

Officers in Transportation are working closely with officers at TfWM to arrange a series of workshops with the CGF to ensure roles, responsibility and relevant governance is clear, and to create a formal Transport Strategy for the Games. Officers from both organisations have already met with those involved in the delivering the games in Glasgow to understand the scale and identify areas of concern and lessons learnt that can be applied in Birmingham. Transport has been an area of focus for the CGF during the bidding process. Post- award feedback from CGF on Birmingham's progress with plans to date has been positive, and CGF are keen to share learning with the Birmingham team.

8. Communications and Engaging the Wider Community

The Council recognises that engaging and communicating with our local communities is an essential part of building a successful Games, and we want to ensure that our citizens feel involved and have the opportunity to participate in sporting, cultural and volunteering activities surrounding the Games.

A cross-organisation strategic communications group (BCC, CGF, CGE, CGDU) has been in place during the bidding process and has continued to work together post award to co-ordinate and agree relevant communications planning and delivery. CGDU have a team in place that works across

Government, ensuring that all departments are briefed on CWG issues, in conjunction with officers in BCC.

Going forward, all parties will be developing stakeholder engagement and communications plans, prioritising communications relating to venues, village and transportation and identifying key stakeholders and impacted groups. A systematic briefing system for Members will also be created, in conjunction with the Member Advisory Group.

At the Perry Barr ward meeting on 15th February, officers from the Economy Directorate will share information with residents, businesses and stakeholders who are within the area of the proposed site of the Village, about the proposed plans, legacy opportunities and benefits that the development will bring to Perry Barr. Those attending this meeting will also have the opportunity to hear about the proposals for the development of the Alexander Stadium.

Prior to the public meeting on 15th February, there will be communications and engagement activities for media and key stakeholders. A cross-party briefing will be organised for ward councillors representing Perry Barr, and the surrounding wards of Handsworth Wood, Lozells and East Handsworth, Aston, Nechells, Stockland Green and Oscott, to share proposals for the village and associated infrastructure and public improvement works. There will also be an e-briefing for all Councillors.

As part of the on-going and communication approach there will be further meetings and forums through which stakeholders can engage.

Work is also planned in conjunction with CGDU, to map the partnership landscape for the Games (at national and regional level) to better enable us to manage relationships and partnerships well in a very complex stakeholder system.

Plans are also being drawn up for ceremonies to mark both the 'handover' of the Games at the end of Gold Coast 2018 Commonwealth Games and also the 'homecoming' for athletes in April. The intention is not only to showcase the city on an international stage but also to involve residents in a community celebration.

9. Next Steps

Work will continue to plan, resource and further develop the workstreams for BCC's Commonwealth Games programme as a cross-council endeavour, linking into the wider Games programme that is being developed by CGF and the OC. Formal reporting mechanisms for internal decisions and briefings will continue to be utilised in conjunction with the Members Advisory Group. Once project milestones have been agreed, reporting schedules will be developed.

Any specific scrutiny arrangements for the Commonwealth Games will be discussed with Members after the election period as part of the regular work-planning programme for Scrutiny.

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