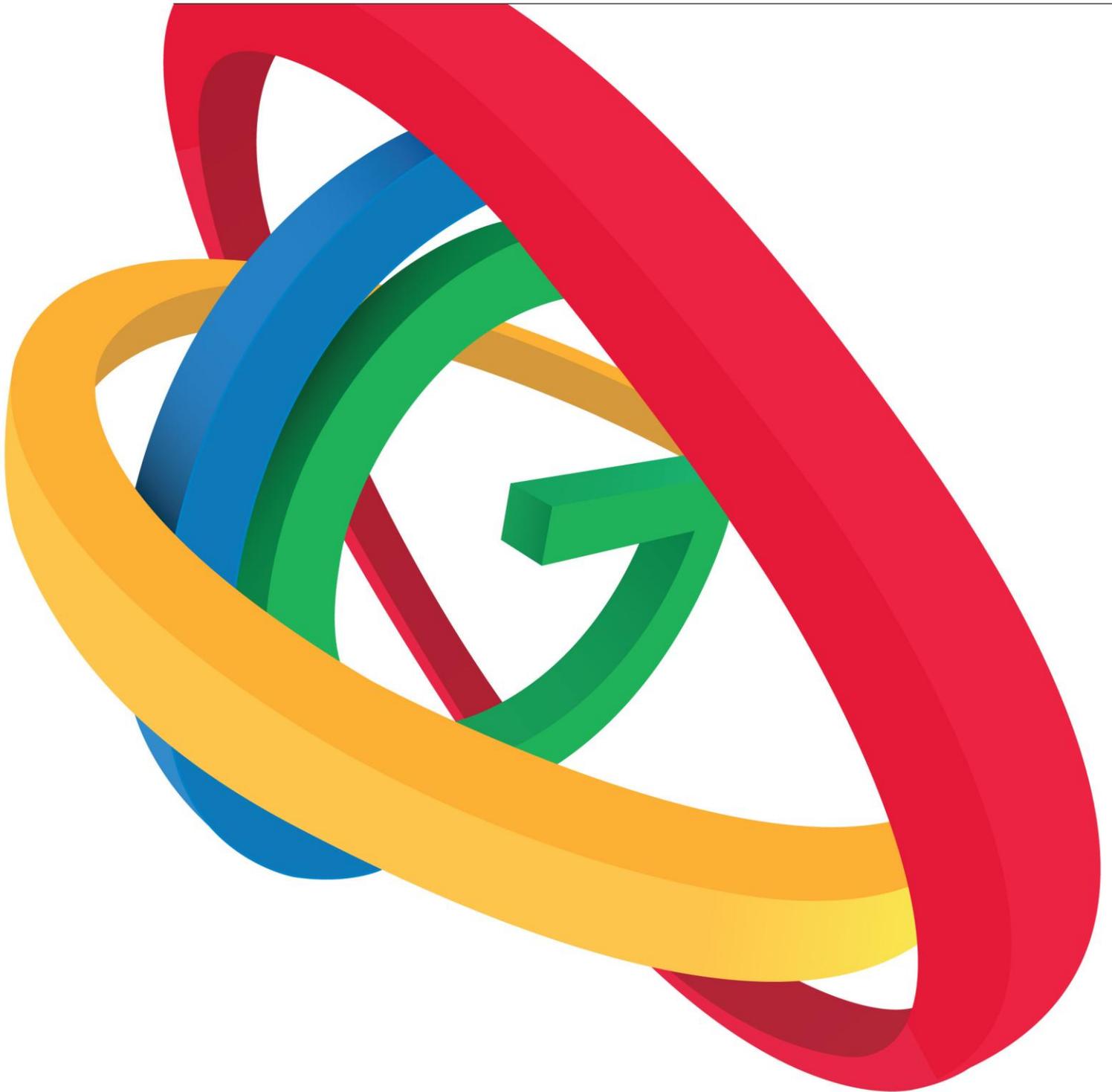




Glasgow 2014 Limited Annual Business Plan

09.05.2012



Chairman's Introduction

2012 will be a momentous year for sport in the UK when, after all the years of anticipation and build-up, the London 2012 Olympic and Paralympic Games take place from July to September.

When the last spectator has left the Olympic Stadium after the Closing Ceremony of the Paralympic Games, we want to make sure that the world is thinking – next stop, Glasgow. Our Games are central to the 'golden decade of sport' with an extraordinary opportunity to inspire, develop and excite the next generation of young athletes, at home and abroad. The Memorandum of Understanding signed between the Glasgow 2014 and London 2012 Organising Committees in May 2010 has ensured effective collaboration and that the opportunities are now being maximised for the transfer of knowledge, expertise and equipment for the benefit of Glasgow 2014.

The relationship with London 2012 is one of a number of strategic relationships that support our vision of delivering an outstanding athlete centred and sport focused Games of world class competition.

The International Federations of our 17 sports are important contributors to our success. The OC will meet with each of them at Sport Accord in May and will continue to work in partnership with them during the coming year to determine the technical requirements for each sport to ensure the Games are of the highest standard.

Also important to our progress are our partnerships with the Commonwealth Games Federation (CGF) and all 71 Commonwealth Games Associations which aim to strengthen the Games movement and enhance the worldwide standing of the Games. The OC will be taking part in the CGF's own Strategic Review during 2012 and looks forward to supporting the CGF through this process. The OC will host its first visit from the Gold Coast 2018 Organising Committee and hopes to be able to provide a valuable transfer of knowledge to the team in the early stages of their planning.

The OC is preparing for its second visit from the CGF Coordination Commission and has recently completed the Technical Review which precedes it. The Commission – chaired by Bruce Robertson, Commonwealth Games Federation (CGF) Vice President – is tasked with evaluating the progress of the OC and its Partners to ensure we remain on track to deliver a successful Commonwealth Games. The OC looks forward to these visits and will continue to work with the CGF in a constructive, collaborative manner. Subsequent visits are due in October 2012 and March 2013.

Glasgow 2014 has the benefit of all party support in both the Holyrood and Westminster parliaments, and Glasgow City Council, and will continue to work with MPs, MSPs and Councillors to foster these relationships for the benefit of the Games. Our partnership with the Games partners, the Scottish Government, Glasgow City Council and Commonwealth Games Scotland (CGS) continues to develop well. The strength of the partnership was recognised by the CGF during last October's Coordination Commission visit and Audit Scotland, in its recent report on planning for delivery of the Games, noted the clarity of the high-level governance structure that allows the partners to maintain strategic oversight of the Games.

Everyone involved in the preparations for the XX Commonwealth Games is committed to delivering these Games on time and on budget. This mantra underpins all the work of the OC and its Games Partners. We will report on progress with all aspects of planning and delivery through the publication of our twice-yearly Games Partner Progress Reports in May and October 2012.

Chief Executive's Overview

The strong foundations which have been laid in the last four years have become the platform from which we are building our detailed operational plans and ultimately the Games experience.

The meticulous planning, preparation and behind the scenes activity will start to become increasingly visible throughout 2012, in particular with the Commonwealth Games Athletes' Village and many of the venues. During the year, the Commonwealth Arena and the Sir Chris Hoy Velodrome will be opened and will host a number of major events, and the Athletes' Village will really take shape as the majority of the homes on the North end of the site are erected. New Hockey facilities at Glasgow Green, the new six lane 50m pool at Tollcross, the Squash courts at Scotstoun and Mountain Bike course at Cathkin Braes are all due to be completed during the period. In addition, we will continue the planning and preparation for converting Hampden Park into an athletics venue for the Games, and work on the new National Arena at the SECC.

During the year we will again make significant strides with our Commercial programme. To have reached a third of the overall target three years out from the Games has been an excellent achievement, particularly in this difficult economic climate. A number of further sponsor announcements will be made during the period and we remain confident of achieving our revenue targets. Progress will begin in earnest on Merchandising – where we will appoint our Master Licensee and launch a limited range of Mascot-related merchandise in time for Christmas 2012. The Games Ticketing Agency will also be appointed as the detailed planning progresses for the sale of tickets from mid-2013, and an agency will be appointed to sell the remaining International Broadcast Rights for the Games.

Procurement will continue to be a major focus for the OC. Detailed packages of work will be scoped and the OC will increase its supplier engagement activities with the support of Business Club Scotland, Scottish Enterprise and the other major business organisations ahead of these packages coming to market. Scottish businesses have already benefitted hugely from Games related contracts and we will continue to support our partners in their efforts to strengthen and deepen the base of Scottish companies able to support Scotland's capacity for hosting major events.

On conclusion of the Model Venue Exercise (MVE), which will be completed late May, the OC will have developed a template as to how all the venues will be run, the services that will be delivered and how those services will be seamlessly integrated at Games time. Using the MVE template, detailed venue by venue planning for the operation of each venue will focus on the standards of service for all of our client groups – from athletes and officials through to workforce and spectators.

The OC will open its Volunteer Centre as it seeks to engage and recruit a diverse, inclusive and committed group of high-calibre volunteers for the Games. In October the awareness-raising campaign will start ahead of the volunteer recruitment drive, which will launch in early 2013.

The OC will award the Opening and Closing Ceremonies contract in June 2012. The strategic phase which develops the creative concept will be completed and pre-production phased started in January 2013.

The cultural programmes first two open grant funds will be announced in September marking the beginning of the build towards the Games time Cultural Festival in 2014.

The OC will appoint the Games Host Broadcaster. The Host Broadcaster will establish an operation in Glasgow and immediately begin the detailed planning for delivery of this highly complex area. The Host Broadcaster will provide the multilateral coverage of the Games and the production of the international television and radio signals that will be made available to our Rights Holding Broadcasters across the world. The Host Broadcaster will ultimately employ over 1,000 people from the broadcast industry and we anticipate much interest and enthusiasm from the creative sector in Scotland to get involved in this unique opportunity.

This Annual Business Plan highlights some examples of the key programmes of work which the OC and its Games Partners will deliver in 2012/13, the life cycle and annual budgets at outturn prices and the associated workforce plan.

Games Time Delivery

Sport

Following approval of the final Glasgow 2014 Sport Programme at the March 2012 Board meeting, Sport will continue to develop the competition schedule and ensure that all sport-specific technical requirements are planned for by Games functional areas, external partners and stakeholders in order to deliver each of the 17 Games sports, associated disciplines and events at Games time.

17 sports will take place across 11 days of competition at the Games. Finalising the Sport Programme has provided confirmation of the medal events in each sport and enables all participating member Commonwealth Games Associations to begin preparations for their athletes and teams.

The final Sport Programme will incorporate 22 medal events for Para-Sport athletes in the sports of Aquatics (Swimming), Athletics, Cycling (Track), Lawn Bowls and Powerlifting, providing the largest number of fully integrated Para-Sport events ever to be staged at a Commonwealth Games and building on the success of the Para-Sport programme at previous Games.

The planning and delivery of each of the 17 Games sports is a critical element to ensure that all sport specific technical requirements are scoped in conjunction with each International Sport Federation and other key sport stakeholders including the Sport Advisory Group, Scottish and UK Sport Governing Bodies.

The Sport Team, together with the Commonwealth Games Federation, will meet with all International Sport Federations at the annual International Sport Accord, where an update will be provided on the planning for each sport, including elements such as competition venue development, development of Scottish technical officials, confirming training venue planning and progress on key milestones.

During the year, we move into the Sport operational planning phase of the Games and will appoint the key sport specific Competition Managers, who will be responsible for the delivery of each sport at Games time.

Once in post towards the end of 2012, the sport specific Competition Managers will build on the work already undertaken by the Sport Competition Cluster Managers and will be an integral part of the Sport and wider Games Teams, providing sport specific expertise, education and knowledge. This will support planning by other Games functional areas, Games Partners, stakeholders and sport delivery agencies, as we strive to achieve our vision to plan and deliver an outstanding athlete centred and sport focused Games.

Competition Managers will continue liaison with appointed Technical Delegates from respective International Sport Federations in order to further progress planning for the layout of the field of play for each sport and confirm the number and requirements of national and international technical officials.

Commonwealth Games Athletes' Village

The Commonwealth Games Athletes' Village will begin to take shape throughout 2012, with much of the planning and vision becoming a reality.

In order to develop, plan and operate an Athletes' Village that meets the athletes and Team Officials' expectations and OC aspirations, a Working Group was established. The Working Group has representatives from Commonwealth Games Scotland and from key internal OC Functional Areas. It also works closely with the Athletes' Advisory Committee and over the coming year of development these groups will continue to monitor, review, coordinate and resolve issues impacting on the successful delivery of the Athletes' Villages.

In addition, during scheduled pre-Games visits by Commonwealth Games Associations (CGAs) to Glasgow, their feedback and suggestions have been and will continue to be sought, with views from an athlete and Team/CGA perspective to be incorporated into the wider Athletes' Village planning and delivery process.

The delivery of the Athletes' Village is a shared responsibility. Glasgow City Council is in partnership with developer City Legacy to deliver the housing, roads and utility services. Following hand-over to the OC in early 2014, the OC's Games Overlay team will deliver the temporary facilities for the Village at Games time.

The developers have been on site for over a year and progress, which has until recently been below ground, has now become much more visible. Infrastructure is well advanced and the first houses were erected in March 2012. A significant number of the houses in the north area will be constructed by the end of the year.

It is expected that construction will begin on all the other housing areas before the end of this financial year. Heating to the housing in the Athletes' Village is delivered centrally from a Combined Heat & Power (CHP) facility (Energy Centre). Work to complete the Energy Centre is well advanced and is expected to be finished in late 2012 to coordinate with the housing completions.

Work on the Care Home is also expected to start during the coming year, with completion due in 2013.

Other priorities for the year ahead include the development of the Athletes' Village Operations Plan and the submission of the Athletes' Village Masterplan to the CGF for approval.

Contracts for the Satellite Village for Athletes competing at Barry Buddon will be signed off, as will the contracts for the Day Village in Edinburgh for the diving events and the Technical Officials Village. Operational Plans for each of these will be developed throughout the coming year.

Venue Development & Overlay

Progress continues apace on the Games venues, with the Commonwealth Arena and Sir Chris Hoy Velodrome on course to be completed and open for use towards the end of 2012.

The main construction works will be completed by the end of May 2012, with fit-out works, including the installation of the Velodrome track, being completed by October 2012.

The construction of the extension at Scotstoun Sports Campus to provide six new squash courts will be completed by the end of 2012. The new squash courts will be capable of conversion to four doubles courts so that both singles and doubles events can be accommodated during the Games.

The Glasgow National Hockey Centre pavilion, comprising changing facilities, offices and spectator seating, will be completed by early 2013, as will the majority of the construction works to provide two International Hockey Federation standard pitches. The laying of the artificial turf pitch surface is weather dependent and will be completed by mid-2013.

The extensions to provide a new six-lane 50m warm-up/training pool, additional spectator seating and community facilities at the Tollcross International Swimming Centre will be completed by early 2013.

The construction of the new mountain bike trails at Cathkin Braes will be completed before the end of 2012. Minor works and maintenance will continue until Games time in order to fine tune and bed-in the trails to ensure that they meet the standards required by the International Cycling Union.

Stadium improvement works to enhance accessibility and spectator facilities at Hampden Park are due to start in late 2012. In parallel with this, the designs for the competition athletics track in Hampden and the warm-up track in Lesser Hampden will be developed. A number of community engagement and consultation events will take place throughout 2012 to keep local residents and others informed of the proposals.

In addition to the capital works, the Venue and Village Development and Overlay Operational Plan will be developed during the year. The Overlay plans for temporary works and installations at all competition and major non-competition venues will also be developed progressively throughout the year.

Venue Operations

The OC has the overarching task of facilitating the venue planning process and timeline, as well as preparing and implementing the integrated operation of all Commonwealth Games venues and facilities, thereby meeting the needs of all clients, OC functions, external partners and stakeholders. In doing so, Venue Operations will ensure a consistent experience for each client group in every venue as it continues its client service levels planning during the coming year.

The Model Venue Exercise (MVE) based on the Commonwealth Arena, will test and validate our systems and operational plans. The MVE aims to develop a template as to how all venues will operate at Games time. The MVE will identify the necessary resources and requirements to deliver an athlete centred, sport focused Games and will highlight areas on which future planning will concentrate. Using the MVE template, detailed venue by venue planning for the operation of each venue will begin late May and will conclude by the third quarter of 2013.

Venue Operations will begin detailed discussions with Venue Owners and Managers to establish a mutual understanding of Games requirements and capture incumbent learnings that can be incorporated into the planning processes during the detailed venue planning work.

Games Workforce

A number of changes have recently taken place in the areas of Human Resources and Volunteering. Following a detailed review it has been determined that a restructure should take place to enable the Games Workforce planning and delivery functional areas to develop a streamlined, resource smart, organisationally coherent framework delivering an uniform solution for all volunteers, paid staff and contractors, effectively treating them as one team.

Games Workforce Planning manages the Games time headcount by scoping and reporting the Games Time demand for paid, volunteer and contractor workforce by venue, function and role across the Games. Games Time Workforce Operations oversees all staffing operations at venues, ensuring proper and consistent treatment of workforce and providing overall support to the venue team.

During the coming year, the OC will capture the resource demand during scoping sessions through the MVE and venue operational planning cycles. The intention is to be able to produce the first comprehensive Games Time Workforce demand report incorporating initial estimates of contractor and volunteer numbers for all venues (including non-competition venues). This will assist the organisation with resource planning, budgeting and sourcing.

Volunteers will be pivotal in determining the success of Glasgow 2014 as they will be the largest component of the Games Workforce and will have the most face to face contact with Games stakeholders, the public, athletes and team officials.

The OC will establish a comprehensive and innovative Pre-Games and Games Time Volunteer Programme in 2012, which will align strongly with the vision and values of the Games.

We intend to recruit up to 15,000 volunteers to deliver maximum benefit across the broad spectrum of Games activities and functions. Accordingly, the Volunteer Recruitment Strategic Plan articulates our ambitions for building on the culture of volunteering which is established throughout Scotland, by working closely with key local, regional, national and international stakeholders to promote and celebrate the unique and exciting opportunities for volunteering at the Games.

The Volunteer Programme has the potential to support sponsorship opportunities and public awareness. Interest will be generated through a high profile, national volunteer awareness programme starting in late 2012. A Volunteer Market Analysis will provide essential data on motivations, demographics and geographic spread of likely volunteers and this will inform the marketing activity and the schedule for a major advertising campaign with an inspiring call-to-action, which will drive applications. This programme, as the first major public campaign for the Games, is also expected to drive spectator interest and interest in Games tickets and merchandise, sponsorship interest, media interest, participation in Games Times events and general interest in watching and reading about the Games.

The Pre-Games and Games Time Volunteer phases aim to engage a diverse, inclusive and committed group of volunteers to work with the OC across all strands, specifically at Games Time, to ensure the delivery of a truly outstanding, athlete centred and sports focused Games, enjoyed by all spectators, visitors, staff and the general public.

This campaign was developed and launched through established volunteer networks, which will give further profile to Glasgow 2014 and the roles of the volunteers in the lead up to the Games.

Security

Security remains a high priority for the OC and we work closely with Strathclyde Police, which has a full-time team seconded to the Games and based in Commonwealth House.

A Site Vulnerability and Risk Assessment (SVRA) will be completed for each competition venue and some non-competition Games venues during the year and these will form the basis for all security operational planning. A Recommendation Report will be produced for the venue at the conclusion of the SVRA and this will outline venue vulnerabilities and offer mitigation strategies to reduce any risks identified.

Phase 1 and 2 of this process will be complete by the end of second quarter 2012. SVRAs will be complete for the following venues: SECC, Scotstoun, Barry Buddon, the Commonwealth Games Athletes' Village, Ibrox, Tollcross, Commonwealth Arena, Sir Chris Hoy Velodrome, Hampden, Royal Commonwealth Pool and the Dundee Satellite Village.

In Phase 3, SVRAs will be completed for the remainder of the Games venues. The reports and recommendations for all venues will then be presented to the Security Directorate for consideration at the end of 2012.

Contract scopes of work will be prepared for release to the market in the second half of 2012 for private safety and security labour and venue security screening equipment for Games Venues.

Transport

Several Bus and Fleet depots have been provisionally identified with Glasgow City Council. Initial design planning for these depots has now commenced through the Council's Land and Environmental Services Department (LES). Transport System Managers are in place to start the detailed development planning for these sites and to advise which locations will work best for the delivery of Games Time services. Contingency planning will also run parallel to this in order to ensure that there are additional back up options in play should planning models dictate a need to look at alternatives.

Over the first half of 2012 this will include a review of the identified potential Depot locations in order to finalise the list of priority and contingency sites. A timeline of use pre-, during and post-Games will be supplied to venue owners and the design of overlay will be progressed.

Bus and Car fleet requirements were outlined prior to the end of 2011 in support of the Sponsorship Programme. Detailed planning for each service will be undertaken before the end of 2012.

In addition, the Fleet Service Manager will work with each operational Functional Area to start outlining the operational vehicle requirements. This will be a study on what vehicles are required and why. The Bus System Manager and Spectator/Workforce System will also work on a similar process.

The Games Family Bus Services team will work with Sport and Media Operations to review system requirements by collecting information on estimated passenger requirements, travel patterns, logistical needs and training schedules/locations. This process will go through approximately three reviews over the course of the next year and a half.

There will be a review of the bus service requirement that will support the overflow from Rail services for spectators and workforce. This requirement plan will focus on existing city bus services, as well as the development of Park & Ride services, to support the Workforce and Spectator requirements by venues and/or venue clusters.

Commercial

This year the OC will broaden its focus to all four of the revenue streams which underpin the Commercial programme: Sponsorship, International Broadcast Rights Sales, Ticketing and Licensing and Merchandising.

The Sponsorship strategy will continue to focus on securing major corporate sponsors either as 'cash' sponsors of the Games or in categories where the OC requires value in kind services in order to support the Functional Areas' delivery of their plans. Supporting potential Sponsors through their planning as to how they can maximise the benefit derived from their relationship with the Games is a major focus of the team's work.

Working with our Sponsors to develop their activation programmes for the Games will also ensure maximum benefit to and public impact on the Games from each sponsor's spend on advertising and community activation programmes.

The OC will appoint an agent to sell its International Broadcasting Rights in all Commonwealth countries, apart from the UK and Australia where the rights have already been secured. The agent will also seek to secure rights in other markets where there may be interest in broadcast coverage of the Commonwealth Games.

Also in 2012, the Licensing and Merchandising programme will move into its operational phase. The initial launch of the programme will see a limited range of merchandise available to support the Games Mascot launch in the final quarter of the year.

The OC will appoint a Ticketing agent to commence operational planning, building towards a public launch of ticket sales in the second half of 2013. During the year further research will be conducted into ticket pricing and the OC will finalise the policies which will underpin its revenue and attendance projections.

The Commercial and Marketing departments will liaise to create the foundations for the ticketing marketing campaigns in the last quarter of 2012. Until then, data acquisition remains a priority for the marketing strategy, ensuring the OC has a loyal and active database of supporters in time for release of tickets in 2013.

Ceremonies, Culture and the Queen's Baton Relay

The OC has established a governance framework that will deliver a consistent creative approach to the planning and delivery of its Ceremonies, Culture and Queen's Baton Relay (QBR) programmes. This approach will engage the creative sector and communities in Glasgow and Scotland to ensure the city and the country is projected across the world as a vibrant, modern destination which is proud of its heritage. It will also ensure that the way in which the programmes are delivered achieve the highest possible national and local legacy outcome. Glasgow Life will work with key recognised stakeholders who will bring additional knowledge, experience and resources to increase the value and profile of the Ceremonies, Culture and QBR Division.

Glasgow Life will lead and co-ordinate the creative input across all three functional areas to ensure a consistent curatorial approach to the engagement and connection with the creative sector and communities of Glasgow, Scotland and the Commonwealth. An executive Programme Manager will manage the contracts and detailed programme plans for the ceremonies, culture and QBR functional areas.

Planning for the delivery of uplifting, distinctive and inspiring opening and closing ceremonies will pick up rapidly during this period. An external design and production company will be appointed in June 2012 to collaborate with the OC and Glasgow Life to fully develop the creative concept and core elements of the Ceremonies. By the first quarter of 2013, key members of the Ceremonies team will be appointed, the master schedule, project budget, concept of operations and engagement strategy will be developed.

The Cultural programme including the Games time Festival, will be outlined alongside the launch of two open grant funds in September 2012 post London 2012. The open funds criteria will represent the agreed vision, themes, and will be available across Scotland with one focusing on larger awards for major projects and the second being available for community based activity. 2012 will establish what existing cultural activity and resources can form part of the Cultural Programme and will identify gaps where the CCQ will commission performances, projects and exhibitions.

The QBR is one of the greatest traditions of the Commonwealth Games and is a symbol of unity and diversity, bringing together all the nations and territories of the Commonwealth with the single message of 'peace and harmony through sports'.

The detailed operational plan for the QBR will be developed in the coming year and the baton's route through the International and Domestic sectors will be mapped out in great detail. The Games Partners are committed to maximising the opportunities presented by the relay in order to promote Scotland from a business and tourism perspective and the team will work closely with partners in these areas to further develop this approach. A lot of research will go into the draft route in terms of population, geography and other planned events as well as travel constraints such methods of travel, timing and travel to remote locations.

The priorities for 2012 include producing a distinct logo for the QBR and design for the baton itself. As with previous Games, the QBR logo and look will help to create an identity that can be promoted and recognised within Scotland and internationally.

The QBR brand will complement the Games brand and provide an identity to the QBR programme that can be used to market to potential QBR sponsors as well as create distinct marketing materials for the QBR and a range of QBR- specific items of merchandise.

Planning for the baton bearer recruitment programme will also begin during the year.

Marketing and Communications

One of the priorities of the Marketing function in 2012 is the successful launch of the Glasgow 2014 Mascot. In 2011 a nationwide competition was run to find a mascot and the winning entry is currently being brought to life by a design team. The mascot will be launched with a tour of Scotland in the fourth quarter of 2012, visiting some of the new community Sports Hubs and attending 'Games for Scotland' events across the country.

During the year the OC will also launch the official Games tartan and the Games Time Volunteer recruitment drive in the first quarter of 2012.

A key corporate strategy of the OC is to provide a public-facing website which supports all business areas in the delivery of their objectives in an effective and efficient manner, as well as engaging people across Scotland and the rest of the Commonwealth and raising the profile of the Games. The strategy is to deliver the website in three phases. The first phase of the website, launched in March 2010, was primarily designed as a marketing tool but also provided a source of important information, such as employment opportunities. The focus of the site is on conveying information and encouraging awareness, understanding and support of and participation in the Games. It is envisaged that the current website will be completely replaced by a solution to be developed through Phase 2 of the project, which will be the focus for 2012.

This second phase will allow the OC to start to interact with the public and stakeholders, such as potential employees or volunteers and ticket and merchandise purchasers. The Phase 2 Website will be able to support increased levels of traffic, as well as providing increased functionality and flexibility through a more sophisticated content management system which will allow the Digital Media team to deliver in-house more content-related work.

London 2012 Engagement and Observers

During the Olympic and Paralympic Games, staff from the OC will be gaining invaluable Games time experience through formal secondments, volunteering and observation, ensuring as much transfer of knowledge as possible.

The Games Partners will also be playing an active role in London, engaging with wider audiences and promoting Scotland as a creative nation, an outstanding tourist destination and a good place to do business – thereby supporting the legacy ambitions of the Games.

Glasgow will also be an Olympic city this summer, with Olympic football being played at Hampden Park. Further observation and secondment opportunities for OC staff have been developed at that Games venue.

Corporate Services

Risk Management

Throughout 2012 the OC will continue to facilitate a series of Risk Management workshops focused on ensuring that each division, department and functional area within the OC accurately identifies and assesses the risks to which it is exposed and has designed and initiated plans to ensure that robust risk improvement strategies are in place.

One of the key workshops will be to review the risks associated with the temporary conversion of Hampden Park, given the project's complexities and its integral part in the delivery of a successful Games. This will involve all areas of the OC with a stake in the Hampden project, and will inform risk activity throughout the period of the project.

Throughout 2012/13, the OC will also further develop the contingency planning process. Through Business Continuity Planning this will focus on the resiliency of the OC as an organisation, but will also assist with the wider scoping of contingency planning needs.

The OC will continue to chair a monthly Games Partner Risk Group, which reports to the Audit and Risk Committee and monitors the strategic risks of all Games Partners as well as working with internal and external auditors to ensure the validity of our risk programme.

In addition the OC will also look to learn lessons from LOCOG in terms of identified risks and mitigation actions – from the position of both positive and negative experiences.

Finance

The OC Budget

The Games budget remains unchanged from last year at £523.6 million at outturn prices. The OC has undertaken further detailed work on the budget during the year and, whilst it has reallocated forecast expenditure between departments, the forecast cost has remained within the overall budget agreed with our funders – the Scottish Government and Glasgow City Council.

Budget for 2012/13

The OC has forecast expenditure of £60 million in 2012/13. The expenditure is forecast to occur fairly evenly over the year, with the major expenditure forecast for Venues and Village, Paid Workforce, Corporate Services and Games Services. Expenditure on Venues and Village includes the OC's contribution to GCC's capital projects, such as Tollcross Aquatics Centre and Glasgow Green Hockey, as well as the start of the construction work at Hampden Park. Paid Workforce costs reflects the fact that headcount will grow from 140 to 374 in the year as the operational planning work intensifies. Expenditure under Corporate Services includes the OC's contractual payments to the CGF and CGS, whilst Games Services costs are driven by expenditure on Security and on Catering, Cleaning and Waste as the OC enters into contracts for the Games.

Glasgow 2014 Limited
Annual Business Plan

Lifecycle Budget at outturn prices

OC Budget at Projected Outturn Prices										
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	TOTAL	
	£	£	£	£	£	£	£	£	£	£
Income										
OC commercial income	-	1,305	921,144	599,555	3,986,373	11,263,958	30,662,202	52,202,769	99,637,306	
Scottish Government	1,379,185	3,965,579	4,627,228	13,478,113	22,531,336	39,004,672	92,076,435	166,906,012	343,968,560	
Glasgow City Council	344,796	991,395	1,156,807	3,369,528	5,632,834	9,751,168	23,019,109	35,765,520	80,031,157	
TOTAL INCOME	1,723,981	4,958,279	6,705,179	17,447,196	32,150,543	60,019,799	145,757,745	254,874,302	523,637,023	
Expenditure										
Chief Executive's Office	-	-	7,735	11,415	65,810	91,981	133,201	69,674	379,816	
Commercial	-	14,449	130,441	313,092	620,740	1,066,012	2,831,740	2,454,173	7,430,647	
Communications & Marketing	2,682	52,764	414,494	932,306	864,463	2,026,828	4,154,256	4,752,246	13,200,038	
Ceremonies, Culture and QBR	-	23,000	148,163	1,788,058	-	866,319	10,816,756	9,727,474	23,369,770	
Corporate Services	1,513,463	3,203,843	2,351,529	4,844,701	7,391,276	6,620,203	6,166,307	3,702,402	35,793,724	
Paid Workforce	177,915	830,775	1,559,741	2,224,107	5,899,567	14,601,930	24,758,133	17,501,997	67,554,164	
Games Family Services	-	-	-	375,798	4,076,559	84,240	4,940,176	1,382,268	10,859,041	
Games Services	23,750	79,921	730,189	852,879	1,293,811	5,246,464	14,466,459	37,556,867	60,250,340	
Press Operations	-	-	-	-	-	50,000	-	900,000	950,000	
Sport	-	-	-	27,028	30,260	577,900	2,457,580	5,237,213	8,329,981	
Venues and Village	-	724,376	1,294,430	6,013,669	10,306,741	22,337,756	41,931,359	52,769,185	135,377,516	
Volunteers	-	-	-	-	25,007	79,994	4,365,017	758,400	5,228,418	
Technology	6,171	29,151	68,458	62,944	1,191,529	3,951,691	12,944,705	14,904,975	33,159,624	
Broadcast Operations	-	-	-	1,200	384,780	2,418,481	11,792,055	17,386,657	31,983,173	
CORE BUDGET	1,723,981	4,958,279	6,705,179	17,447,196	32,150,543	60,019,799	141,757,745	169,103,530	433,866,251	
Operational Contingency	-	-	-	-	-	-	-	61,433,841	61,433,841	
Venue Development Contingency	-	-	-	-	-	-	4,000,000	493,000	4,493,000	
Special Reserve Contingency	-	-	-	-	-	-	-	23,843,931	23,843,931	
TOTAL EXPENDITURE	1,723,981	4,958,279	6,705,179	17,447,196	32,150,543	60,019,799	145,757,745	254,874,302	523,637,023	

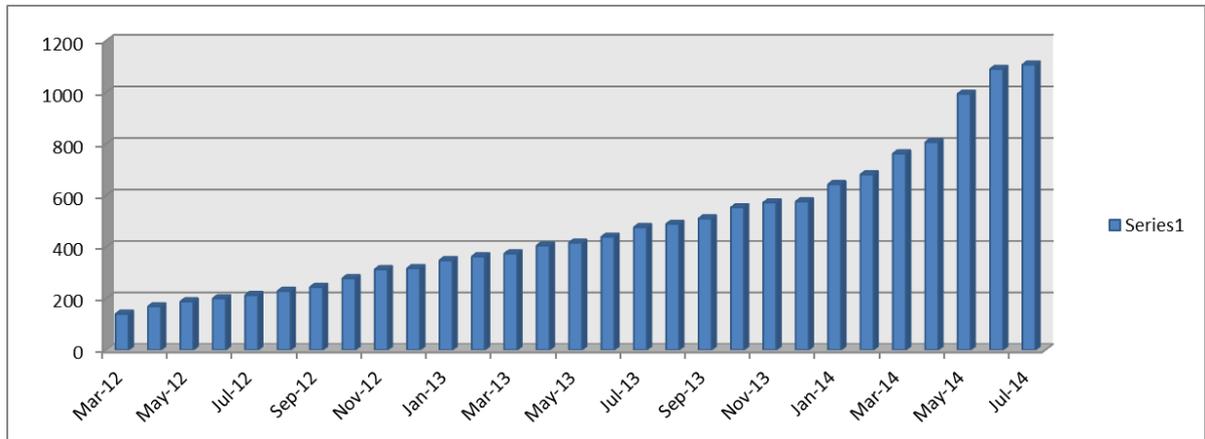
Glasgow 2014 Limited Annual Business Plan

2012/13 Budget at outturn prices

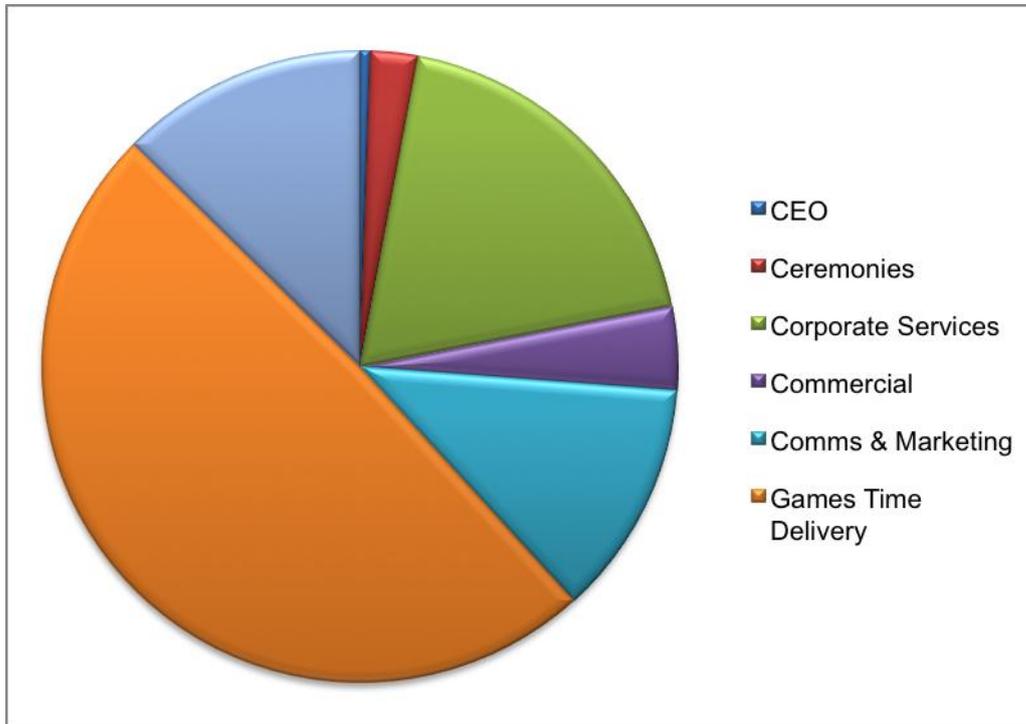
OC Budget at Projected Outturn Prices													
Income	Apr-12 £	May-12 £	Jun-12 £	Jul-12 £	Aug-12 £	Sep-12 £	Oct-12 £	Nov-12 £	Dec-12 £	Jan-13 £	Feb-13 £	Mar-13 £	TOTAL £
OC commercial income	190,017	190,017	190,017	2,800,078	190,017	2,800,078	361,446	361,446	361,446	403,112	403,112	3,013,173	11,263,958
Scottish Government	3,540,725	2,968,923	3,099,277	1,961,266	2,952,871	904,185	6,305,856	3,261,522	4,330,764	4,206,607	3,791,414	1,681,262	39,004,672
Glasgow City Council	885,181	742,231	774,819	490,316	738,218	226,046	1,576,464	815,381	1,082,691	1,051,652	947,854	420,315	9,751,168
TOTAL INCOME	4,615,924	3,901,170	4,064,113	5,251,660	3,881,106	3,930,309	8,243,765	4,438,349	5,774,901	5,661,370	5,142,380	5,114,751	60,019,799
Expenditure													
Chief Executive's Office	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	91,981
Commercial	53,618	60,547	53,618	193,793	62,618	184,990	62,618	47,618	47,618	53,868	53,868	191,240	1,066,012
Communications & Marketing	179,252	159,302	184,052	165,802	159,302	178,802	160,052	160,052	181,302	160,052	160,052	178,802	2,026,828
Ceremonies, Culture and QBR	60,344	60,344	60,344	60,344	60,344	98,544	80,344	60,344	60,344	60,344	60,344	144,332	866,319
Corporate Services	1,394,039	201,941	217,191	763,780	223,897	206,897	825,641	201,896	1,734,763	418,126	215,516	216,512	6,620,203
Paid Workforce	854,531	955,679	971,638	1,040,692	1,083,190	1,112,301	1,261,380	1,345,578	1,419,833	1,504,193	1,433,247	1,619,668	14,601,930
Games Family Services	9,103	4,103	4,103	4,103	4,103	16,603	19,103	4,103	4,103	4,103	4,103	6,603	84,240
Games Services	278,689	278,689	278,689	278,689	278,689	278,689	301,458	341,458	341,458	863,320	863,320	863,320	5,246,464
Press Operations	-	-	-	50,000	-	-	-	-	-	-	-	-	50,000
Sport	28,783	28,783	35,033	35,033	35,033	119,319	49,319	49,319	49,319	49,319	49,319	49,319	577,900
Venues and villages	1,609,512	2,012,787	1,471,538	1,497,795	1,806,795	1,418,271	4,436,271	1,877,136	1,491,887	1,458,437	1,839,137	1,418,191	22,337,756
Volunteers	15,838	25,838	20,772	838	838	838	838	838	838	838	838	10,838	79,994
Technology	124,249	105,191	149,609	238,485	158,330	256,790	708,240	331,586	424,315	613,180	444,215	397,505	3,951,691
Broadcast Operations	300	300	609,860	914,640	300	50,600	330,835	10,755	11,455	467,925	10,755	10,755	2,418,481
CORE BUDGET	4,615,924	3,901,170	4,064,113	5,251,660	3,881,106	3,930,309	8,243,765	4,438,349	5,774,901	5,661,370	5,142,380	5,114,751	60,019,799
Operational Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Venue Development Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Reserve Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE	4,615,924	3,901,170	4,064,113	5,251,660	3,881,106	3,930,309	8,243,765	4,438,349	5,774,901	5,661,370	5,142,380	5,114,751	60,019,799

HR/Paid workforce

The OC has recently undertaken a review of the workforce plan for the Life of the Games. Over the next 12 months, the OC paid workforce will increase from 140 to 374 as the OC brings on the key planning and operational staff necessary to plan and deliver the Games.



Forecast End of Year Paid Workforce Split by Division



Forecast End of Year Paid Workforce Split for Games Time Delivery

