Meg Hillier MP  
Chair  
Public Accounts Committee  
House of Commons  
London    SW1A 0AA

25 June 2019

Dear Meg

**2022 Commonwealth Games Budget Update**

I am writing to inform you that following the announcement of Birmingham’s successful bid for hosting the 2022 Commonwealth Games, a review of the Games budget has now concluded.

A key condition of HM Treasury funding to deliver the Games was that the budget be reviewed with Birmingham City Council and the other Games partners. Following detailed work with all partners on the various budget elements, a budget has now been agreed that will allow the successful delivery of the Games.

Under the agreed budget Birmingham and the West Midlands will receive a £778 million investment to stage the 2022 Commonwealth Games. The public funding, which includes contingency, will be split approximately 75% / 25% between investment from central government (£594 million) and Birmingham City Council and partners (£184 million). The Birmingham 2022 Commonwealth Games partners have committed to ensure that the use of public money to support the Games is done so with probity and consideration of best value, whilst maintaining strong financial control to ensure that value for money is at the forefront of decision-making when funding is committed and spent.

This investment will deliver significant benefits for Birmingham, the West Midlands and the UK long after the 11 days of sport in 2022 are over. Birmingham 2022 will open up a wealth of opportunities, including business and trade, cultural engagement, volunteering, physical activity, jobs and skills, education and tourism. Over 1 million tickets will be made available for spectators from across the UK and around the world.

An additional £109 million will be raised through commercial revenue from the Birmingham 2022 Organising Committee and Commonwealth Games Federation Partnerships through ticket sales, sponsorship, merchandising and the sale of broadcast rights.
In addition to the budget of £778 million for staging the Games, there are a number of existing projects in the region that will help to deliver long-lasting benefits, which can also help to deliver the Games in the summer of 2022. These include the £496 million development of 1,400 new homes at Perry Barr which will serve as the Commonwealth Games Village during the Games in 2022 and investment in transport infrastructure by Transport for West Midlands. This includes improvements at Perry Barr and University stations and new SPRINT rapid bus routes. Passengers across the region will benefit from these proposals long after the Games end in 2022.

The government’s other commitments to the Games, including the underwrite of the organisation and delivery of the Games and a number of guarantees, will remain in place until the end of the 2022/23 financial year.

I am committed to ensuring the transparency of information concerning the delivery of the Games. Regular financial updates including any significant movement in the budget or change in the status of the contingent liabilities, will be reported to Parliament over the lifecycle of the project. The Birmingham 2022 Organising Committee will also lay its accounts before Parliament in the usual manner for government arm’s length bodies.

I am copying this letter to Damian Collins MP, the Chair of the Digital, Culture, Media and Sport Committee, to whom I am writing to in similar terms.

Mims Davies MP
Minister for Sport and Civil Society