The Bid for the 2014 Commonwealth Games:

Building on the Halifax Experience

Canada has a stellar reputation for staging major international sporting events. It has hosted the Commonwealth Games four times, including the inaugural British Empire Games in 1930 in Hamilton, Ont.

The withdrawal of the bid to bring the 20\textsuperscript{th} Commonwealth Games to Halifax, N.S., in 2014 was unprecedented and has led to considerable scrutiny of the factors leading to its demise. Despite this regrettable outcome, Commonwealth Games Canada (CGC) believes Canada remains a strong contender for hosting future games. The lessons learned as a result of the Halifax bid have been instrumental in re-evaluating the entire bidding process and have fostered a number of recommendations, intended to provide constructive guidelines for future bids.

Background:

In December 2005, the City of Halifax, N.S., was selected to represent Canada in the international competition to host the 2014 Commonwealth Games. (The other bidding cities were Abuja, Nigeria and Glasgow, Scotland.) Over the next 15 months, the Halifax 2014 Bid Society worked with Commonwealth Games Canada, funding partners from the federal, provincial and municipal levels of government and other stakeholders to bring the games to Canada. The bid process came to an end on March 8, 2007, when the Province of Nova Scotia and
the Halifax Regional Municipality announced their decision to withdraw funding for the bid because they could not close the gap between the estimated costs and the funding committed by the federal government, expected contributions from private partners and games revenue.

**Bidding on the future**

In the year since the Halifax bid was withdrawn, there has been much analysis and discussion among bid partners on obstacles to its success. In an effort to move forward, Commonwealth Games Canada commissioned an independent review by the Public Policy Forum, a not-for-profit organization “aimed at improving the quality of government in Canada through better dialogue between the public, private and voluntary sectors.”¹ The study was conducted in the fall of 2007 and completed in January 2008. Its findings, as well as feedback from bid partners, inspired the following recommendations:

1) **Timelines**

*Allow sufficient time to properly prepare the bid.*

Time constraint is cited as one of the principal reasons for the collapse of the Halifax bid. The Halifax 2014 Bid Society has recommended a minimum of 36 months “from the time the domestic phase is complete, and the Canadian bid city is selected, to the conclusion of the bid phase.”² From the time Halifax was selected to represent Canada for the 2014 Commonwealth Games (in December 2005), the Bid Society had 17 months to prepare and submit its final proposal to the Commonwealth Games Federation, an insufficient amount of time to rigidly map out a detailed business plan and budget for a project that would


likely cost Canadian taxpayers more than $1 billion.\(^3\) Nor did the tight deadlines allow adequate time for decision-making at the federal government level, such as receiving Cabinet authority.

### 2) Governance structure

*Build a strong governing body with a clear common purpose and direction and a wide range of representation.*

A major shortcoming of the Halifax bid was the lack of a strong and unified voice and a common sense of direction among the members of its governing body, the Executive Committee of the Bid Society. The Executive Committee was largely comprised of government officials, and it is felt that support for the development of the bid was compromised in favour of advocating the interests of government ministers. The governing body should reflect a wider range of representation, including sports and community associations, as well as business and other private sector organizations. Its focus should strike a balance between international relations, marketing and communications and financial planning.\(^4\)

### 3) Budget

*Involve funding partners in the budgeting process to build a better understanding of financial goals.*

The Halifax Bid Society was faced with the challenge of building a budget that would satisfy a number of stakeholders and that matched a games plan that would be the right size for Halifax, win the bid and build a legacy for the city. It developed a draft budget that contained an unprecedented level of detail, perhaps too much detail; funding partners were confused as to whether the

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numbers put forward were final or whether there was room for revision. As the cost rose from a domestic bid estimate of $785 million to an international bid budget of more than $1.4 billion\(^5\), concern set in that the provincial and municipal partners would not be able to close the funding gap.

Drafting a budget at the outset that presents a series of options outlining the costs associated with a “winning” plan as well as the “right sized” plan for the bid city might help allay anxiety and give decision-makers more latitude. Involving partners or stakeholders at an earlier stage in the budgeting process might help avoid a reaction of surprise when the budget numbers are released.

4) **Process**

*A legal agreement between Commonwealth Games Canada and the winning city should be signed before the bid process moves forward.*

A Memorandum of Understanding (MOU) between Commonwealth Games Canada and the City of Halifax was not signed at the time the city was chosen to represent Canada in the bid for the 2014 Games. Despite many attempts, an agreement wasn’t reached and planning went ahead without this legally binding document. Given the complexity of planning for an international event of such magnitude and the number of parties involved, the lack of a signed agreement posed risks and hurt the viability of the bid. In addition to the MOU, a Multi-Party Agreement should have been signed with the other partners to outline their roles and responsibilities from the start of the domestic bid process. Commonwealth Games Canada might consider including a withdrawal clause in future bid agreements.

5) **Vision**

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A coherent vision and approach to the bid process is vital to securing widespread community support.

Local support for the Halifax bid was very strong at the beginning of the process, but it weakened over time because of the lack of a common goal. Politicians, bureaucrats and Bid Society representatives pursued different objectives, with some parties devoting efforts and resources to winning the bid on the international front (for example, by travelling to Commonwealth Games Associations to promote the 2014 bid) and others focusing on a fiscally responsible bid that wouldn’t be too big for Halifax and its taxpayers to sustain. In the end, it became apparent that without solid domestic support, the bid could not be won internationally.

6) Communications

Appoint community champions and develop a proactive communications plan to inform the public of the bid’s progress.

Effective communication — internally and externally — is vital for a successful international bid. In the case of Halifax 2014, some aspects of the overall communications strategy were found to be lacking. Information was often not shared internally among partners or discussed at appropriate venues, such as committee meetings. Haligonians were not regularly informed of the bid’s progress, heightening the perception that the process was not transparent and, in turn, weakening public support for the bid. As a result, communications efforts were largely spent reacting to negative publicity.

One way of garnering community support at the outset is to appoint well-known and respected local personalities to champion the bid in the community, the private sector and the political arena. Appointing these champions early on in the bidding process will help build momentum from the start.

7) Partnerships
Building a strong base of supporters is key to a successful bid.

Ensuring a broad base of support is essential to a strong international bid. It takes many stakeholders to stage an international sporting event like the Commonwealth Games. That is why it is essential to develop partnerships early on with the local community, educational institutions such as universities, sporting associations, volunteer groups, political and business leaders. Partners should be engaged throughout the entire planning process, starting with the domestic bid phase, right through to the international vote.

8) Political climate

Engage government partners.

The importance of understanding the bureaucracy and the dynamics of federal, provincial and local politics, as well as fostering political and government relations was underestimated in Halifax. The responsibility of interacting regularly with the three levels of government and of maintaining strong political relationships must be clearly outlined. The status of government relations should be reported on routinely throughout the bidding process. (The political climate was particularly challenging for CGC and the Halifax Bid Society, i.e., dealing with minority provincial and federal governments and changes in federal ministers and secretaries of state for sport.) Given the political pressures that surround a bid of this significance, an expert in government relations is an invaluable asset to the bid team.

9) Spotting signs of trouble

Develop an “early warning system” for detecting problems, a mechanism for receiving timely and reliable feedback throughout the bidding process.

While the decision by the Province of Nova Scotia and the Halifax Regional Municipality to pull out of the bid took the Bid Society and Commonwealth
Games Canada by surprise, it appears there were signs of mounting instability among some of the bid partners: the lack of vocal support from politicians, an unsigned Memorandum of Understanding between CGC and the Halifax Regional Municipality, anxiety surrounding the budget, and a fluctuating relationship between the Bid Society and the province and city.

Implementing a system to encourage feedback at the early stages, such as a “pre-mortem,” might help address problems before they become unmanageable. During the Halifax bid, for instance, it seems a number of people involved in the project had reservations early on about crucial issues such as timelines and partnerships, but didn’t voice them. Similarly, there may not have been enough discussion about the increasing unease surrounding the budget as the bid progressed.

Regular meetings of all stakeholders should be held to encourage dialogue, build trust and foster collaboration. Regrouping regularly offers an opportunity to gauge progress, address issues and ensure that all stakeholders are working toward the same objectives.

10) Tapping expertise

*Benefit from an international network of resources.*

A variety of resources are available to bidding cities, to learn from international experts and other cities’ experiences with hosting the Commonwealth Games. The Commonwealth Games Federation offered briefing sessions to all three candidate cities vying for the 2014 Games but, given the considerable cost involved, Halifax chose not to participate. While the Halifax Bid Society did engage experts on staff and on contract with experience from the 2006 Commonwealth Games in Melbourne, Australia, investing the time to learn from those who have been through the bidding process may help avoid costly problems down the road.

**Conclusion**
The failure of the Halifax bid for the Commonwealth Games demonstrated the importance of realistic timelines, a balanced governing body, a robust early warning system, understanding political currents, building public support and securing financial commitment, among other lessons learned about the bidding process. But it also raised fundamental questions about the role of Commonwealth Games Canada in selecting a Canadian candidate city. CGC must fully assess the infrastructure, community and political support and local will of bidding cities during the domestic phase to identify possible areas of weakness and to lessen risks. It should also clearly communicate to those cities the conditions, required facilities and costs for bidding.

Armed with the knowledge gained from the Halifax experience, CGC is now moving forward with discussions about future opportunities to launch another bid. It is hoped the insights and recommendations listed in this report will not only help Canadian cities in future bids for the Commonwealth Games but serve the Canadian sporting community at large.