

Local Members' Interest
N/A

Prosperous Staffordshire Select Committee – 17th December 2015

Sportshire Strategy and Major Events Evaluation

Recommendations

1. The Prosperous Staffordshire Select Committee provides comment regarding the refreshed Sportshire strategy ahead of the Cabinet meeting on 20th January.
2. The Committee considers the economic and social impact of the Sportshire major events programme to date.
3. The Committee considers an overarching set of principles which guides future event tenders.
4. The Committee considers proposals regarding the expansion of Staffordshire County Council's (SCC) major events portfolio, specifically tenders for the Great Swim series event and the 2017 UK Corporate Games, subject to additional funds being identified to meet the costs should the bids be successful.

Report of Cllr Mark Winnington, Cabinet Member for Economy, Environment and Transport

Report

Background

5. Staffordshire County Council acknowledges the power that a strong sport and leisure offer has in generating visitors, jobs and prosperity within our County. In recognition of this and the well-documented health benefits of an active community, the County - in partnership with Sport Across Staffordshire and Stoke-on-Trent (SASSOT) - began the development of a Sportshire strategy and in September 2013, recruited a Sportshire Coordinator.
6. To date significant progress has been made towards the attainment of Sportshires initial strategic objectives. Using learning to date and input of stakeholders, a refreshed strategy has been produced. The 2016-2020 strategy responds to new corporate priorities and the current sporting, economic and health landscapes.
7. By the request of the Chief Executive Officer, the Prosperous Staffordshire Select Committee is asked to scrutinise the impact of the major events programme and review recommendations for future activities.

Introduction to Sportshire

8. The Sportshire agenda represents a new direction of travel in relation to the traditional local authority sport and leisure offer. This agenda aims to capitalise on the broader benefits of sport and particularly its contribution to a number of corporate priorities, such as economic regeneration, improving health and wellbeing and raising the profile/ reputation of Staffordshire regionally and nationally.
9. The realisation of these objectives contributes significantly to Staffordshire County Council's priority outcomes of enabling residents to:
 - a. Access more good jobs and feel the benefits of economic growth.
 - b. Be healthier and more independent.
 - c. Feel safer, happier and more supported in and by their communities.
10. To drive the concept, it was determined that focus should be given to the delivery of four key strategic objectives:
 - a. Staffordshire is known nationally as a "Sporting Destination" with a high-performing visitor economy.
 - b. The area hosts a calendar of significant sporting events, delivering economic growth, promoting Staffordshire and inspiring further participation.
 - c. The County has a thriving sports industry, which provides high levels of employment for local people.
 - d. Our residents participate regularly in sport and physical activity and enjoy the health benefits of an active lifestyle.
11. During the first 24 months of delivery significant progress has been made towards the attainment of these strategic objectives, proving the Sportshire concept has merit. The refreshed strategy refocuses the agenda, responding to new corporate priorities and the current sporting, economic and health landscapes. A copy of the 2016-2020 strategy can be found in **Appendix A**.

Major Events – A Rationale

12. Sports tourism is one of the fastest growing sectors not only within the leisure sector but also the global travel industry. The Olympic, Paralympic and Commonwealth Games stimulated the sector and last year over £1.1 billion was spent by live sport visitors in the UK. However, industry experts report the fastest growing trend is amongst tourists that travel to participate in sporting events. Increasingly, people are booking holidays around participation in an event or competition. These tourists are often high-spending and accompanied by non-participating friends or relatives, increasing the economic benefit to the destination. Sports tourism therefore represents the greatest opportunity for Staffordshire's visitor economy. This evidence formed the basis of the strategy to bid for and host international, mass participation sporting events within the county
13. In 2014, we successfully tendered and delivered two major sporting events: Ironman Staffordshire 70.3 (three year contract) and the 2015 UK Corporate Games. These events attracted an estimated 16,000 visitors into the area, creating an economic impact of 5.4 million pounds.

Ironman Staffordshire 70.3

14. The Ironman Staffordshire 70.3 is a long distance triathlon consisting of a 1.2-mile (1.9 km) swim, a 56-mile (90 km) bike ride, and a 13.1-mile (21.1 km) run. The course takes in four Staffordshire's districts (Cannock, East Staffordshire, Lichfield and Stafford) featuring a number of key visitor destinations including Chasewater, Cannock Chase and the Shugborough Estate.
15. Ironman, a global brand with over 100 races worldwide (featuring 200,000 athletes) and an estimated 2 million live spectators, offered a unique proposition for Staffordshire. It is broadly acknowledged as one of the most respected brands in sport. This global reach provides an ideal platform from which to promote Staffordshire internationally. This was reflected in the entry demographic; the race attracted 2600 participants from 36 countries, with competitors travelling from destinations such as Australia, New Zealand and America.

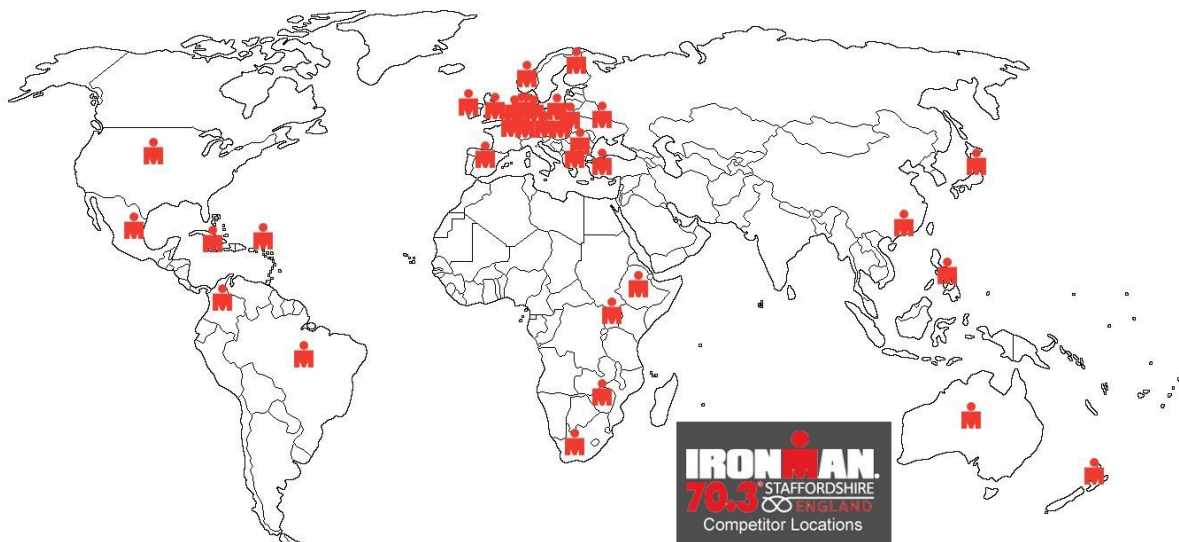


Diagram 1 Country of residence of Ironman 70.3 Staffordshire competitors

16. The profile of event was further raised by celebrity participation including Gordon Ramsey, Danny Mills, Charlie Webster and World Champion and Olympic medallist Javier Gomez. The highlights package was broadcast by 27 channels in Europe, North and South America, the Middle East, Africa, Asia and the Pacific. The impact from a communications perspective can be found in **Appendix B**.
17. The inaugural Ironman Staffordshire 70.3 undoubtedly delivered against our objectives from place marketing, social and economic perspectives. The full Ironman impact assessment can be found in **Appendix C**. A breakdown of some of the key findings can be found below:
 - a. The event sold out in 14 minutes, making it the fastest selling event in global Ironman history.
 - b. Over a million pounds spent by athletes and spectators (this doesn't include the Ironman spend on the local supply chain, estimated as £750,000 or causal spectators)

- c. 86% of competitors surveyed said would return to Staffordshire (85% would recommend it to others)
 - d. 87% rated their stay as good or very good.
 - e. 82% agreed that training for IM improved their general health and wellbeing.
 - f. 23% felt the event had encouraged them to become a member of a sports club.
 - g. 23% said it had encouraged them to volunteer.
 - h. The television package has been broadcast by 27 channels to-date (in European, North and South American, Middle East, Africa, Asia and Pacific regions) with a
 - i. reach of over 255 million viewers.
18. The event did pose operational challenges. The scale of the road closures (over 60 miles, lasting up to five hours) created some resistance from local residents and SCC's communication strategy was criticised. Working with the communication team we have developed a plan to mitigate this in years two and three; this includes monthly newsletters, parish council engagement events and activities across our all our digital platforms.
19. The cost of Ironman to SCC is £300,000 over three years (procurement of the licence fee 2015 to 2017). This equates to a ROI of 16% (or a £16 return for every £1 invested). When considered alongside the broader social impacts of the event this represents a sound, value-for-money investment.

2017 UK Corporate Games

20. The UK Corporate Games (UKCGs) represented a more business-focused opportunity. The event is Europe's largest festival of sport for businesses, operating in 60 cities across 30 countries and boasting over a million participants.
21. In 2014, an alliance of partners led by SCC (Staffordshire & Keele Universities, Stoke City Council, Newcastle Borough Council and Newcastle 6th Form College) won a competitive tender process to host the Games in 2015.
22. 64 organisations entered the Games with over 4000 competitors participating. The Games attracted some of the largest multi-national corporations based in the UK to the area; notable companies include EDF, IBM, Intel, Virgin Trains, KPMG and Allianz. Locally over 25 companies participated including: Alton Towers, Alstom, Bet 365 and The Sentinel. The 24 sports took place in venues across the county including Keele & Staffordshire Universities, Trentham Gardens and Fenton Manor.
23. Alongside the festival of sport, the Local Enterprise Partnership (LEP) chair David Frost hosted an afternoon reception for executive guests of competing organisations enabling them to "sell Staffordshire" and deliver key inward investment messages.
24. Evaluating the economic impact of the UK Corporate Games has proved challenging. Participating companies typically paid for competitors' overnight accommodation, travel and subsistence and have been unwilling to share information on total spend. Consequently, we used Staffordshire survey data alongside previous visitor research and economic impact assessments, to extrapolate economic impact for UKCG 2015.

Key Highlights:

- a. £3,089,827 was spent by competitors during the Games
- b. 4460 participants competed in the Games, from 64 businesses
- c. 79% of competitors travelled from outside of Staffordshire, 8.6% from outside of the UK.
- d. 89% stayed overnight in the County.
- e. The majority, 71%, stayed over two nights generating approximately £652,125.
- f. Both Universities sold out all available accommodation and hosted corporate functions.
- g. 91% of participants considered themselves to be either extremely satisfied or satisfied with their experience of the Games
- h. Over 40% of those participating were encouraged to make positive lifestyle changes

A full break down of findings and supporting infographic can be found in **Appendix D & E**

25. The commercial value of the event was significant; SCC's investment was 22.5k with a ROI of £136 for every £1 invested. The alliance was delighted with the opportunities the Games provided. The universities particularly pleased with the event's capacity to generate income (Keele University alone took £160,000) and the opportunity to showcase their conferencing and hospitality facilities to a potentially lucrative audience.
26. Learning from the 2015 event was that more could have been done to engage visiting businesses more formally. Liverpool, the hosts of the 2016 UKCG, are demonstrating the potential of this approach by hosting the Games alongside the International Festival of Business in partnership with UK Trade & Investment. Any future bid to host the UKCG should be designed with the LEP agenda at its core.

Major Events Programme – Recommendations

27. Having examined the success of Ironman and UKCG it is clear that delivering a major events programme in Staffordshire is an effective mechanism of not only achieving the Sportshire objectives but of making robust contributions to the wider business objectives of the County Council. Based on these findings it is our recommendation that we continue to broaden our portfolio and invest in major events.
28. In order to ensure events continue to deliver against our corporate priorities, four overarching principles have been developed. When assessing the merits of tendering for a particular event, that event must fulfil a minimum of three of the four criteria below.

Criteria	Description	SCC Commissioning Priority
Improves residents health & wellbeing	The event promotes physical activity and sports participation by providing competition opportunities to a range of demographics including older adults, families, young people, those with disabilities and disadvantaged groups.	Living Well Ready for Life Enjoying Life
Creates a positive economic impact	The event generates a substantial economic impact, via visitor spend, inward investment or the supply chain. With a ROI of no less than 5%.	Right for Business
Social impact and civic pride	The event stimulates community cohesion in host localities, enhancing resident's pride in the area in which they lives. Opportunities are provided to support and promote volunteering. There are links to other cultural activities.	Great Place to Live Resilient Communities Ready for Life
Builds reputation and profile	Significant media coverage is associated with hosting the event. This coverage provides a mechanism to enhance Staffordshire's appeal as a destination to visit, live and do business.	Right for Business Enjoying life

29. This criterion has been applied to two potential events and on this basis the recommendation to the Prosperous Select Committee is to submit tenders for a Great Swim event and UKCG 2017.

Great Swim

30. Great Swim is a series of televised open water swimming events, featuring elite and mass participation competition. The Great Run Company (who also own the Great Run brand) developed the concept of the Great Swim in 2008, with the first one mile open water event taking place in Lake Windermere. Since the inclusion of open water swimming in the 2008 Olympics, the sport has seen a surge in popularity, with Great Swim extending their series to include four additional venues (Loch Lomand, Salford Quays, Royal Victoria Docks and Alton Park, Suffolk). In 2015, over 22,000 swimmers entered the series, watched by over 500,000 spectators.
31. Great Swim is seeking to expand their series further and is currently accepting tenders from host locations for a "Great Midlands Swim". Our proposal is to submit a tender featuring Chasewater as the competition location.
32. We have undertaken an analysis of the impact of Great Swim events in

other host destinations; some of the key findings are below:

- a. Each participant brings, on average, 3.1 spectators with them to an event*
 - b. 30% of participants stay overnight in paid-for accommodation*
 - c. An estimated £118 per participant is spent on entertainment, food, beverages, travel and accommodation at each event*
 - d. Great North Swim has generated 2.6m in economic impact, representing a return of investment of £7.66 for every pound invested
 - e. TV coverage across the series in 2011 exceeded 2 million viewers
 - f. 16% of all competitors are *new* to swimming*
- *based on Great Swim Series Average

33. In its first year the Great Midlands Swim would aim to attract 1,500 competitors rising to 2,500 in its third year. The event would precede the Ironman event and would most likely take place in early June. A partner proposal can be found in **Appendix E**.
34. The licence fee required to secure the event is £125,000 per annum for three years. In addition there is the opportunity to procure a Great Swim local franchise. This enables the host venue to deliver swim training sessions throughout the year using brand new technology which allows participants to track swims and monitor progress. Not only can we use this as a tool to promote swimming but also create an income source for the Country Park. Conservative estimates suggest an annual profit of between £15,000 and £30,000 could be generated from the delivery of Great Swim Local.
35. The Great Swim event fulfils all four of our specified event criteria; creating economic impact via the visitor economy, promoting Chasewater as a key visitor attraction and improve participation in swimming within Staffordshire. The licence fee is competitive in comparison with the market value for this scale of event and represents good value for money.

UKCG 2017

36. Following the success of the 2015 UKCGs, organisers have invited the alliance to submit a tender for a future Games. Based on our analysis of this year's event, it can be demonstrated that UKCG fulfilled all of our specified event criteria; on this basis it is our recommendation to tender for the 2017 Games.
37. The technical specification for a 2017 bid would build on previous 24 competition venues, by adding additional sports and celebration sites. As previously mentioned, any tender would be developed in conjunction with the LEP and Inward Investment Team, to ensure we maximise any commercial opportunities. There would also be a focus on increasing the number of local businesses attending.
38. The total cost of the licence fee for UKCG would be a one of payment of £33,000. This would be matched by Stoke City Council. A further £33,000 would be sought from other stakeholders such as the universities and the LEP.

Conclusion

39. The Sportshire vision represents a new direction of travel for sport in Staffordshire. By creating a critical mass of facilities and experiences we can drive the development of jobs in the sports sector, stimulate our visitor

economy, contribute to private sector investment and increase participation figures. The new strategy will enable us to achieve a multi-agenda impact driving prosperity and improve the health for our residents.

40. Hosting mass participation events has delivered growth within the visitor economy through an increase in out-of-area visitor spend. Expanding our events portfolio will help further promote the County as a global destination for sport and enhance the credentials of our events industry.
41. Given the potential wider health, social and economic benefits to Staffordshire's local economy, the financial implications of the refreshed Sportshire Strategy to the County Council can be summarized in the following table overleaf:

New Sportshire Event	Funding Contributions Over 3 Years			
	Staffordshire County Council	Stoke on Trent City Council #	Other Partners #	Total Funding
	£.	£.	£.	£.
Great Midlands Swim - License Fee *	375,000	0	0	375,000
UK Corporate Games - License Fee	33,000	33,000	33,000	99,000
Total 3 Year Funding Requirement	408,000	33,000	33,000	474,000

* represents £125k per annum over 3 years (2016/17 to 2018/19 inclusive)

Partner funding contributions are unconfirmed

42. At this stage, no budget provision currently exists to fund the County Council's contribution towards these new sporting event bids and partner funding contributions have yet to be formally confirmed, although Stoke on Trent City Council have verbally agreed.
43. If approval is granted to bid for these sporting events as part of the new Sportshire Strategy, and the bids are successful, then the County Council will need to fund a new 3 year pressure, totaling £408,000 (cumulative), from its current MTFS.

Responsible Officer:

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