



**Cabinet Meeting on Wednesday 20<sup>th</sup> January 2016**

**Sportshire; progress and future aspirations**

**Mark Winnington, Cabinet Member for Economy, Environment and Transport said,**

“The Sportshire concept has shone a light on the important role sport plays in the Staffordshire economy, contributing significantly in terms of spending, economic activity, and employment. For our residents who participate in sport and active recreation regularly, it is clear that there are vast benefits to health and well-being. This new Sportshire strategy ensures we continue to maximise the broad benefits the sector has to offer Staffordshire.

The UK Corporate Games and Ironman 70.3 events gave us the opportunity to showcase to a global audience, what a truly amazing county Staffordshire is. The findings of the evaluation included in this report demonstrate that hosting events of this nature can support core County Council business priorities relating to economic, social and health agendas. Going forward we will work within the current economic environment to find creative ways to sustain this momentum.

### **Report Summary**

The report presents the refreshed 2016-2020 Sportshire strategy for Cabinet input and approval. It also reviews the impact of our major events programme to date and makes recommendations as to how we might expand the portfolio going forward.

### **Recommendations**

I recommend that:

- a. Cabinet approves the refreshed Sportshire strategy as described in Appendix 1
- b. Cabinet considers the economic and social impact of the Sportshire major events programme to date.
- c. Cabinet approves proposals to tender for the 2017 UK Corporate Games and conduct a feasibility study to explore the merit of an in-house events programme.

<b>Local Members Interest</b>	
N/A	N/A

## **Cabinet – Wednesday 20<sup>th</sup> January 2015**

### **Sportshire; Progress and Future Aspirations**

#### **Recommendations of the Cabinet Member for Economy, Environment and Transport**

- a. Cabinet approves the refreshed Sportshire strategy as described in Appendix 1
- b. Cabinet considers the economic and social impact of the Sportshire major events programme to date.
- c. Cabinet approves proposals to tender for the 2017 UK Corporate Games and conduct a feasibility study to explore the merit of an in-house events programme.

#### **Report of the Deputy Chief Executive and Director of Families and Communities**

##### **Reasons for Recommendations:**

##### **Context & Background**

1. 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.
2. 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.
3. By the request of the Chief Executive Officer, Cabinet is asked to scrutinise the impact of the major events programme and review recommendations for future activities.
4. The recommendations above were approved by the Prosperous Staffordshire Select Committee on 17th December 2015

##### **Introduction to Sportshire**

5. 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. 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.
6. 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. Our residents participate regularly in sport and physical activity and enjoy the health benefits of an active lifestyle. Supporting the Public Health outcomes in relation to Active Staffordshire
7. 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**

8. 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
9. 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.



## 15. Key highlights

- 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 reach of over 255 million viewers.
16. 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. The Prosperous Select Committee was keen that this area of work remains a focus going forward.
17. 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

18. 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.
19. In 2014, an alliance of partners led by SCC (Staffordshire & Keele Universities, Stoke City Council, Newcastle Borough Council and Newcastle 6<sup>th</sup> Form College) won a competitive tender process to host the Games in 2015.
20. 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.
21. 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.

22. 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 is reported in the UKCG Economic Impact assessment.

23. 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.

24. 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**

25. The Prosperous Select Committee recommended a review of the methodology by which we evaluate these events, considering a more in-depth cost benefit analysis.

26. 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, however Staffordshire's events portfolio cannot exist without investment. At a time when the Council is under significant financial pressure, we need to identify creative ways to fund the growth and maintenance of the programme.

27. Securing major events is costly, with most organisers requiring significant license fees from host destinations. Where possible the County Council should explore potential commercial partnerships to share costs and reduce the pressure on council budgets.
28. Many local authorities utilise existing assets and expertise to deliver their events programme in-house. While a level of investment is required in this approach, it is often a cost effective way of meeting local needs and generating income. It is proposed that a feasibility study assessing the merit of this approach is conducted and findings are presented to Cabinet.
29. The existing events industry plays a significant role in supporting council ambitions in this area. We need to continue the dialog with local businesses and assess mechanisms by which we can further support them and stimulate the delivery of high quality sporting events.

### **UKCG 2017**

30. 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 is our recommendation to tender for the 2017 Games.
31. 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.
32. The total cost of the licence fee for UKCG would be a one off payment of £33,000, we shall attempt to identify these funds from existing council budgets. 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**

33. 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.
34. 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, we need to work within current financial environment to identify creative ways to fund the growth and maintenance of this programme.
35. Whilst delivering on economy, skills and healthier lifestyles, Sportshire is also a key pillar of our Public Health responsibilities. We will continue to ensure this aligns

with Active Staffordshire and our Public Health outcomes relating to physical activity.

36. 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:

**Responsible Officer:**

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