



Leicester
City Council

WARDS AFFECTED
City Wide

Cabinet

1st June 2009

SPECIAL OLYMPICS LEICESTER 2009

Report of the Director of Cultural Services

1. PURPOSE OF REPORT

- 1.1** To make Cabinet aware of the current status of Leicester's plans to host the National Summer Games for Special Olympics in July this year and to seek agreement to a substantial financial contribution of up to £1m to ensure this major national sporting event takes place in our city

2. RECOMMENDATIONS

- 2.1** Cabinet is recommended to:

- (a) approve funding to Leicester Games 2009 Ltd of up to £1m, and delegate the decision to make this award to the Director of Cultural Services in consultation with the Chief Finance Officer;
- (b) approve the financing of this grant, as described in para 4.2.

3. REPORT

- 3.1** In summer 2007 Leicester was successful in winning the right to stage the National Special Olympics Summer Games. The Games, which take place from July 25th to 31st, include 21 sports at 16 venues with 2,700 athletes, 1,200 coaches, 6,000 visiting families, 1,500 volunteers and seven days of achievements starting with a spectacular Opening Ceremony at Leicester City Football Club and concluding with a party in Abbey Park. The City and County will buzz with sound and colour for the seven days of competition with the eyes of the nation on Leicester and Leicestershire including TV coverage from ITV.

The Games will leave a legacy for the Special Olympics Community that will ultimately achieve its most important aim; that of promoting the sporting achievements, and equality opportunities for those with learning disabilities.

- 3.2** A Company Limited by Guarantee "Leicester Games 2009 Ltd" was formally established in December 2007 with representatives from a wide range of sectors and organisations including:

- Leicester City Council
- NHS Leicester City

- Voluntary Action Leicester
- University of Leicester
- Chamber of Commerce
- Special Olympics Great Britain
- Leicestershire County Council
- Representatives of the Business Community
- Individuals with a specific interest and commitment to sport and/or Learning Disability

- 3.3** The Board of Directors of the company has established a trading subsidiary and is awaiting confirmation of charitable status from the Charity Commission. Both of these are required to maximize the availability of funds to support the Games
- 3.4** In April 2007 Cabinet endorsed and supported Leicester's bid to host the 2009 Special Olympic Games and allocated the sum of £200,000 from the capital programme to support the appointment of a Games Director, other key appointments and to demonstrate commitment from the City Council.
- 3.5** In February 2008 the Board appointed a sponsorship and fundraising company with significant experience of sports sponsorship at a national level with the target of achieving £2-3m from commercial sponsorship. This target was agreed by the Board and the Sponsorship Company as being achievable, provided the SOL was successful in securing a major Broadcast partner. ITV have been contracted as an Official Partner and this gave renewed confidence that significant sponsorship could be achieved.
- 3.6** Although the initial response was not encouraging, SOL were subsequently given approval by LOCOG (London Organising Committee for the Olympic Games) to approach 2012 sponsors. This was a significant achievement as SOL 2009 provides a major opportunity for brand awareness in advance of 2012. Discussions took place with a number of 2012 sponsors and commercial partners. However, this was ultimately unsuccessful despite discussions at a national level between the Board and LOCOG to find a mechanism which would enable SOL 2009 to be recognized as an appropriate event linked to London 2012.
- 3.7** Whilst significant efforts were being made to achieve sponsorship, it became clear that the downturn in the housing market, the crisis in the financial markets and the recession was having a major impact on business confidence and the willingness to sponsor Special Olympics. This has been reflected across the sport and leisure industry in general. This difficulty has not been helped by the fact that unlike the Olympics and Paralympics, Special Olympics does not receive any government funding and relies solely on individual and corporate donations.
- 3.8** In December the Board became increasingly concerned about the lack of success in securing commercial sponsorship and the potential impact this would have on the Games. Given the urgency of the situation the Board agreed to undertake a major review of the budget for the Games to establish the absolute minimum requirement. It also agreed to actively seek contributions from partners to ensure the success of the Games in the event that no significant commercial sponsorship would be obtained

3.9 The budget was reviewed in detail, as requested by the Board, and currently needs to generate additional income of £1.2m. This has recently been reduced to £1m as a result of a successful grant of £200,000 from Sport England. The Leader of Leicestershire County Council has also indicated that the County Council may be able to offer its support to the Games. The Board are still very committed and working hard to find sponsorship support and donations from the commercial and non-commercial sector. In addition a number of meetings have taken place with Gerry Sutcliffe MP, Minister for Sport, with a view to seeking financial support from relevant National Governing Bodies. The Board remain hopeful that this will generate some additional funding, although unsuccessful so far.

4. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

4.1. Financial Implications

4.1.1 Current forecast games cost is £2.9m with accommodation and catering being the most significant amount. Income is forecast to be £1.9m which includes athletes' contributions, contribution from Sport England, the City Council's contribution and the Lord Mayor's appeal. The increased funding required is therefore £1m.

4.1.2 It is proposed to meet the costs of supporting the Special Olympics from the Council's corporate reserves. At the time the 2009/10 budget was approved, uncommitted reserves were estimated at £6.7m, and this would reduce the balance to £5.7m. This is above the minimum recommended balance of £5m.

4.1.3 We are currently preparing the revenue budget outturn for 2008/09, and reviewing reserve levels. These will be reported to your next meeting, but reserve balances have not deteriorated since the budget was set.

Martin Judson, Head of Finance, Ext 7390

4.2 Legal Implications

4.2.1 The Council has power to give this guarantee under the provisions of section 2 of the Local Government Act 2000 (well being powers) when exercising these powers the Council needs to have regard to its community strategy.

4.2.2 It is strongly recommended that the form of any guarantee be settled by Legal Services Division.

Joanna Bunting, Head of Commercial & Property Law, Ext 6450

5. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities	Yes	All-The Games will raise awareness of Learning Disability generally and will generate opportunities for those involved to improve their life chances through participation in sport,

		volunteering etc
Policy	Yes	All-Contributes to the priorities of One Leicester principally Adults and Sustainable Communities, Health and Wellbeing and Talking Up Leicester
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	

6. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

None

7. CONSULTATIONS

Martin Judson, Head of Finance
Mark Noble, Chief Finance Officer
Joanna Bunting, Legal Services

8. REPORT AUTHOR

Richard Watson
Director of Cultural Services
T: 29 7301
E: richard.watson@leicester.gov.uk

Key Decision	Yes
Reason	Is significant in terms of its effect on communities living or working in an area comprising more than one ward
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)