



Leicester  
City Council

**WARDS AFFECTED**  
*City Wide*

## **FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**

Overview & Scrutiny Management Board

24<sup>th</sup> September 2009

Cabinet

5<sup>th</sup> October 2009

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## LEICESTER'S BID TO BECOME A CANDIDATE HOST CITY FOR THE 2018 OR 2022 FIFA WORLD CUP

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### **Report of the Strategic Director Regeneration Development and Culture**

#### **1. PURPOSE OF REPORT**

- 1.1** The purpose of this report is to inform Cabinet of the activities undertaken by Leicester as an Applicant Host City for the 2018 or 2022 FIFA World Cup, and to seek approval to submit a bid to become a Candidate Host City.

#### **2. SUMMARY**

- 2.1.** In May of this year the City Council expressed an interest in becoming an Applicant Host City for the 2018 or 2022 FIFA World Cup. This was in response to an Invitation to Qualify issued by England 2018, a wholly owned subsidiary of the Football Association (FA), established in accordance with FIFA requirements to participate in the bidding process of the right to host the FIFA World Cup in 2018 or 2022.
- 2.2.** Partnership support for the participation in the bid process was secured through the new sub-regional partnership arrangements, that is the Leadership Board. This has successfully engaged the support of the County Council, East Midlands Development Agency (emda), and the Business Council.
- 2.3.** In order to test and subsequently ensure public support for such a bid a high profile media campaign has been organized.
- 2.4.** A decision is now required on whether or not the City should submit a formal bid to England 2018 to become a "Candidate Host City". That is in effect to participate in a further selection process whereby England 2018 will seek to win the hosting of the FIFA World Cup in England, thereby initiating a formal process of selecting cities, to be undertaken by FIFA.

#### **3. RECOMMENDATIONS**

- 3.1.** It is recommended that:
- 3.1.1.** The City Council as lead agency submit a bid to England 2018 seeking the status for Leicester of Candidate Host City for the 2018 or 2022 FIFA World Cup.
- 3.1.2.** A formal set of governance arrangements for the Bid are set up under the Leadership Board.

#### **4. REPORT**

- 4.1.** There is a compelling case for Leicester to seek to be a Candidate Host City and ultimately Host City for the FIFA World Cup. The FIFA world cup is the biggest event in the world. In Germany 2006, there were 32 participating teams, 64 matches played over 31 days, 12 stadia in 12 different cities, 18,850 media representatives on site, 3.36 million spectators in stadiums, 18.4 million spectators at fan parks, 24 billion viewers in more than 240 countries watched at least 1 match and no doubt new benchmarks will be set for South Africa 2010 and Brazil 2014.
- 4.2.** The FA is currently bidding for both the 2018 and 2022 FIFA World cups but their main focus and efforts are concentrating on winning the right to host the event in 2018. Competition for this exclusive right includes USA, Mexico, Spain/Portugal, Belgium/Holland, Russia, Qatar, Korea, Japan, Indonesia and Australia.
- 4.3.** A survey of English football grounds found that the country has a total of six stadia that currently meet the full FIFA requirements in terms of seated capacity and pitch size. This is two below the minimum number of stadia that may be used and half of the maximum. Other bidding cities fall into 2 distinct groups. Either they would need to expand the stadium (such as Leicester) or to build a new one. The England 2018 approach to bid submission is one of risk management. In this respect it is perhaps more likely that they will look favourably on bids that involve stadium expansion rather than wholesale new build. It is worth noting that this bid is precipitated on a principle of public money not being available for stadium build. However, it remains to be seen as to whether or not this principle will hold.
- 4.4.** The England 2018 have published a vision statement that makes clear reference to positive change and legacy that they believe will be a fundamental product of hosting the FIFA World Cup and are convinced that they have a strong case in the following areas:
- A passion for and well developed football market
  - Experience of hosting major sports events
  - Outstanding candidate host cities
  - Programme for development of football around the world
  - Home crowd for every team
- 4.5.** The England 2018 are fully confident that they will meet FIFA's main objectives through:
- Full compliance with FIFA's list of requirements;
  - Complete support from Government, candidate host cities, business, football and other sporting codes and general public;
  - A comprehensive Candidate Host City selection process that ensures maximum impact to as many regions as possible;
  - An environmentally viable event with positive economic impact;
  - An environmentally sensitive event addressing key environmental issues;
  - A viable and durable investment infrastructure;
  - A domestic and international legacy that creates an innovative, meaningful and lasting benefit from the staging of the FIFA World Cup;
  - A World Cup that will enhance the stature of FIFA's premier property around the globe; and

- A World Cup for the fans

- 4.6. The FA sees the host cities as being a key pillar to England delivering a successful World Cup - the host cities bids will be very much a part of England's bid - therefore, if Leicester is successful in this process, it would be "talked up" in England's bid, not just in a host city context.
- 4.7. In conclusion there is strong reason to believe that England 2018 will be successful in attracting the FIFA World Cup to England in either 2018 or 2022.

## 5. THE BID PROCESS

- 5.1. The bid process commenced in May 2009 with the publication of the Invitation to Qualify as a Candidate Host City. This confidential document is available for member inspection, though the competition rules prohibit us releasing this into the public domain. To qualify as a Candidate Host City, bids have to be submitted to England 2018 in November 2009. Successful Candidate Host Cities will be announced in December 2009 and will conclude in November 2009 with continuous engagement, consultation and a number of visits by the 2018 Bid Technical Team and FIFA to Leicester. Ultimately the selection of all Candidate Host Cities will be made by the FA in conjunction with the recommendations of FIFA.
- 5.2. Since May, the City Council has led a series of partnership based initiatives which have included the Submission of an outline bid and of a preliminary bid, and also two inspection visits by England 2018.
- 5.3. A high profile marketing and pr campaign was launched following receipt of the Invitation to Qualify (ITQ) in May 2009. The 3 key local media - Leicester Mercury, Leicester Sound and Radio Leicester have all been totally supportive of Leicester's bid to date, promoting the campaign daily, in print, on air and on all 3 websites. The "back the bid" campaign - aiming to persuade the Leicester public to show their support by voting "Leicester" on the England 2018 website [www.England2018bid.com](http://www.England2018bid.com) has been extremely successful, with a whole host of celebrities lining up to back Leicester's bid. Those who have backed the bid are all documented on our official website [www.backleicestersbid.com](http://www.backleicestersbid.com) Total numbers of those who have voted Leicester are not currently available from the FA, but our initial target is for 200,000. In terms of social networking, a fan group was set up totally independently and now has 2315 members. More recently, a face book fan page was developed and already boasts 427 fans. The campaign was officially launched on 24<sup>th</sup> June 2009 by Gary Lineker, who helped launch England's bid on May 18<sup>th</sup>. Since then, the campaign has gone from strength to strength. Key elements of the campaign due to rollout over next few weeks include a fully branded "back the bid" shop in Highcross running from w/c 24<sup>th</sup> August to 20<sup>th</sup> September and an outdoor media campaign including 6 sheet, 48 sheet, 96 sheet and lamp post banners across the city. Other road shows and activities to involve the wider community will be running from the end of September right up until bid submission.
- 5.4. To date this work has been funded by £100,000 from the emda sub-regional allocation, and pump primed by an amount of the City Council's funds allocated to One Leicester.
- 5.5. Within the outline and preliminary bid processes the City has had to demonstrate that it has high level facilities for the following activities:

- Matches
- Training Sites
- Team Base Camps
- Team Base Camp training Sites
- Hotels Competition related events

**5.6.** Included in the criteria England 2018 will use to assess bids are, though not exclusively:

- Political environment
- Stadium
- Legacy Proposals
- Major event experience
- Proposed cultural programme
- Sites for fan fests
- Transport
- Safety and security

**5.7.** Preliminary feedback on the process from England 2018 has indicated that the Leicester bid is “very good”.

**5.8.** It is proposed to establish a formal set of governance arrangements to oversee the bid through the Leadership board. The Leicester and Leicestershire Leadership Board is the existing steering body which delivers on this shared regeneration agenda. It is through this board that Leicester and Leicestershire’s preparedness for the 2018 World Cup will be managed. The Leadership Board provides a strategic approach to the promotion and improvement of the economic, social and environmental wellbeing of the sub-region, and facilitates joint working between the parties to achieve that objective.

**5.9.** Members of the Leadership Board include the Leaders of both the City and County Councils, and a Leader of one of the District Councils, a Director representing the Regional Development Agency, representatives of the Business Council, the Voluntary Sector and of the Homes and Communities Agency. The Leadership Board is served by a Co-ordination Group made up of senior officers of the various agencies.

**5.10.** The Leicester and Leicestershire FIFA World Cup Board will be an adjunct to the Leadership Board and will be serviced by the Co-ordination group. The East Midlands Development Agency will remain a key stakeholder in these processes. The formal decision making powers of the Board lie in those vested in each local authority. Key decisions will be referred to the Cabinet’s of each Council, whilst operational decision will be taken under powers delegated to officers.

## **6. KEY AREA OF RISK**

**6.1.** The key area of risk within the Leicester bid is the need to expand the current Walkers Stadium. Discussions are ongoing with Leicester City Football Club, who have been key partners in this process from the outset. Part of the bid process has included working closely with LCFC to increase in the size of the Walkers Stadium from the current capacity (32,000) to a seating capacity of 40,000. The club have commissioned architects to produce appropriate high level plans and a dedicated project team, with a

membership that reflects the critical part it has to play within the overall bid has been set up, including officers from LCC, who are now meeting on a regular basis to discuss associated costs, planning and time lines. This team will continue to report progress through to the main project board.

## **7. ECONOMIC IMPACT**

**7.1.** If the World cup was to come to England in 2018, and Leicester was successful in there bid to become a Host City, it would have a long term economic impact that would continue throughout the games and long after through the legacy programme. Accordingly a report by the HM Treasury into the financial benefits that can be gained through hosting a World Cup concluded that Germany's World Cup had a very positive effect on the country's economy and helped improve its image internationally. The four-week tournament earned Germany's tourism industry an extra 300 million euros (\$399 million) in revenue, added 2 billion euros to retail sales and yielded 50,000 new jobs. Furthermore a report into the Manchester 2002 Commonwealth Games highlighted that the games attracted 18 million visitors to the region and put 6 billion into the North West's economy. Over 300,000 visitors are now expected as a result of the positive images from the games

## **8. FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

### **8.1. Financial Implications**

£100,000 of funding has been approved from the sub-regional allocation. All of this funding has either been spent or committed to develop the bid to this point. Costs have included project management, media and PR support, materials, venue hire and for the fitting out and launch of a vacant unit in the High cross shopping centre to enable people to vote to show support for Leicester to be a host city.

**8.1.1.** Hosting the world cup would represent a major undertaking. The potential economic benefits for Leicester and the sub-region are significant; but staging the event would create demands on public services - there will, for example, be implications for infrastructure, transportation, policing and other public facilities. At present, the financial implications for the City Council are not known, and we would wish to see other funding bodies playing a key role given the envisaged region-wide benefits. It is likely, however, that some form of cost contribution from the City Council would be sought; any such commitments will be considered and determined in the normal manner. However, members are advised that, if the bid is successful, some cost implications for the City Council should be regarded as inevitable. The world cup may, of course, be the catalyst for securing new public investment which will benefit the City in the years to come.

**8.1.2.** The bid is predicated on the principle that City Council support cannot be provided for stadium expansion (see para 4.3).

**8.1.3.** The lengthy period of planning required if the bid is successful means it is impossible to predict the type of local authority (or any other) funding regime which might exist towards the later years of the process.

*Martin Judson, extension 7390*

*Mark Noble, extension 7401*

## 8.2. Legal Implications

The Council is relying on its Well Being power to deliver this Invitation to Qualify (“ITQ”), issued by England 2018. This power permits the Council to do anything which it considers likely to promote or improve the economic, environmental or social well-being of its area (s.2 Local Government Act 2000), consistent with its community strategy (prepared in compliance with s.4 Local Government Act 2000 (as amended)).

### 8.2.1 The ITQ highlights:

A series of legal agreements and other documents (not yet seen) that the City Council (as an Applicant Host City) will be required to enter and/or provide to England 2018 and/or FIFA as part of its Bid;

### 8.2.2 The need to establish control, composition and membership of our Applicant Host City (i.e. to establish the extent to which Leicestershire County Council, EMDA and the Business Council are supporting the Bid, whether they are participating in it and, if so, the identity of the contracting party (City Council or other Bidding entity, to include all entities supporting the Bid) and the extent to which they share the City Council’s Bid obligations);

- The confidentiality of the ITQ;
- Legal obligations relating to the City Bid Mark (i.e. the logo);
- A disclaimer as to accuracy of the ITQ; and
- That the City Council will accept the provisions of this ITQ when it is delivered, to include an indemnity to England 2018, the FA and FIFA from and against any loss resulting from the City Council’s breach or non-performance of the ITQ, including any representation contained in it.

### 8.2.3 It is recommended that, as the Bid progresses and legal agreements and documents are made available, early legal advice is obtained concerning the Council’s obligations, potentially including powers, State Aid, contractual and public procurement issues.

*Greg Surtees, Senior Solicitor, Commercial, Contracts and General Team, Legal Services ext. 29 6453*

## 9 OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within the report
Equal Opportunities	<b>Yes</b>	<b>4.4</b>
Policy	<b>Yes</b>	<b>6.1</b>
Sustainable and Environmental	<b>Yes</b>	<b>4.5, 5.1, 6.1</b>
Crime and Disorder	<b>No</b>	

Human Rights Act	<b>No</b>	
Elderly/People on Low Income	<b>No</b>	

## 10 Environmental Implications

## 11 RISK ASSESSMENT MATRIX

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/appropriate)
1. Lack of partner support	L	H	Partners already engaged
2. Lack of appropriate funding to complete through to bid submission	L	H	This has been discussed with partners and we have submitted a successful bid to EMDA for 100K
3. Lack of funding and planning permission for expansion to LCFC Walkers stadium	M	H	See 6.1 LCFC are fully committed

L – Low  
M – Medium  
H - High

L – Low  
M – Medium  
H - High

## 12 BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

Hosting the world cup - a feasibility study (HM treasury)

Commonwealth Games Federation - Manchester Commonwealth Games

## 13 CONSULTATIONS

See partners at 5.9, 5.10

## 14 REPORT AUTHOR

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<b>Key Decision</b>	Yes
<b>Reason</b>	Is significant in terms of its effect on

	communities living or working in an area comprising more than one ward
<b>Appeared in Forward Plan</b>	Yes
<b>Executive or Council Decision</b>	Executive (Cabinet)