

WARDS AFFECTED All Wards

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

OSMB Cabinet Briefing 2 September 2010 22 November 2010

Report of the Culture and Leisure Scrutiny Task Group "Review of funding for the Special Olympics 2009"

Report of Councillor Clair, Task Group Leader, Culture and Leisure

1. Purpose of Report

1.1 This report presents the findings of the Culture and Leisure Scrutiny Task Group's review into the funding arrangements for the 2009 Special Olympics held in Leicester.

2. Summary

- 2.1 In 2009 OSMB requested that the Culture and Leisure Task Group conduct a review of the funding arrangements for the 2009 Special Olympics. This was in response to the decision taken by Cabinet to make up a £1M funding shortfall for the event.
- 2.2 In commencing this review it was the Task Group's intention to focus exclusively on the funding arrangements behind Special Olympics 2009 rather than the overall success of the event. At the outset of the evidence session it was the Task Group's intention to reaffirm that the event itself was an outstanding success and provided participants and their families with inspirational experiences they will never forget.
- 2.3 This review was conducted through one evidence session on 28th July. Giving evidence to that session were:
 - Richard Watson, Director of Cultural Services, Leicester City Council
 - Ted Cassidy, Chair, Tim Davies Vice Chair and Nick Townsend, Board Members, Leicester Games Ltd
 - Neville Hammond, Financial Advisor to Leicester Games Ltd

3. Recommendations

- 3.1. OSMB is asked to endorse the findings of this report in sections 4 and 5.
- 3.2. Cabinet are asked to receive this report and to note the conclusions and recommendations outlined in sections 4 and 5.

4. Conclusions

- 4.1 The Task Group made the following conclusions against its Terms of Reference:
 - 4.1.a. To assess whether all efforts were made to obtain commercial sponsorship; Given the financial backdrop the Task Group accepts that all reasonable efforts were made to obtain the necessary commercial sponsorship.
 - 4.1.b. To evaluate whether the expectations to raise up to £3M in commercial sponsorship was an achievable aim at that point in time; The Task Group accepts that Leicester Games Ltd believed that this level of commercial sponsorship was achievable and notes how close the event came to gaining a major sponsor. On the evidence provided the Task Group concludes that it is difficult for members to take a considered view on whether the expectations at the outset were realistic.
 - 4.1.c. To evaluate alternative ways of securing funding that could have been explored and to identify lesson learned to improve the chances of securing commercial sponsorship for similar events in the future The Task Group concludes that lots of sponsorship activity was undertaken at national and local level and that, given the timelines involved in negotiations, any extra activity would have been extremely difficult. The Task Group would make the observations that:
 - i. More extensive risk assessments could be undertaken in the future at the outset of the planning phase for such an event, and
 - ii. Fundraising activity for such an event should be undertaken much more in partnership with the governing body (in this case Special Olympics GB).

5. Task Group Recommendations

- 5.1 In addition to the above conclusions the Task Group agreed the following recommendations:
 - 5.1.a. In leading and hosting an event of this size and significance in the future the City Council should ensure fuller cross-party involvement during the planning stages;
 - 5.1.b. The resource implications of hosting the Special Olympics means that consideration should be given to either:

- Holding the event on a regional basis rather than a specific city;

- The provision of a central Government funding stream specifically in support of sporting events for people with learning disabilities;

- People with learning disabilities should be explicitly acknowledged in the national development plans of all sports in Britain.

Cabinet is asked to write on behalf of the Council to the Minister for Sport, the Minister for Disability and Special Olympics GB, outlining the points in 5.1.b.

In addition the Task Group Leader would like to receive and give consideration to the research report commissioned from Leicester and De Montfort Universities, covering the impact and legacy of the event, when it is completed in September 2010.

6. Report

- 6.1 In summer 2007 Leicester was successful in winning the right to stage the national Special Olympic Games. The Games were to include 21 sports at 16 venues with 2700 athletes, 1200 coaches, 6000 visiting families and 1500 volunteers.
- 6.2 The Games were to leave a legacy for the Special Olympics Community that would ultimately promote the sporting achievements and equality of opportunity for those with learning disabilities.
- 6.3 In April 2007 Cabinet had endorsed and supported the bid to host the Games and allocated £200k for a games Director and other key appointments. This led to the creation of a company, limited by guarantee, called Leicester Games Ltd. The Board of Directors for the company later appointed a sponsorship and fundraising company to acquire between £2-3M in sponsorship and support.
- 6.4 In May 2009 OSMB called in a Cabinet paper entitled Special Olympics Leicester 2009. This paper was seeking Cabinet agreement to fund Leicester Games 2009 Ltd up to £1M. This was because a funding gap was becoming increasingly difficult to fill through sponsorship alone.
- 6.5 The paper pinpointed the growing economic crisis as the main reason behind the failure to attract the necessary sponsorship.
- 6.6 In receiving this paper OSMB resolved that the Culture and Leisure Task Group should investigate further, with specific emphasis on the financial aspects of the Special Olympics.
- 6.7 The purpose of the Task Group evidence hearing held on 28th July 2010 was for members to clarify whether the fundraising and sponsorship of the Special Olympics could or should have been handled differently at the time, and whether there were lessons to be learnt that might assist Leicester in the future hosting of large events such as this.
- 6.8 The minutes of the hearing are attached at Appendix A and provide the basis for the conclusions and recommendations contained in this report.
- 6.9 Members of the Task Group wish to record their thanks to the Board Members of Leicester Games Ltd for being part of an intensive and wide reaching evidence session.

7. Implications

7.1 There are no specific legal or financial implications arising out of this report.

8. Report Author

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Minutes of the Meeting of the OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Held: THURSDAY, 2 SEPTEMBER 2010 at 5.30pm

P.R.E.S.E.N.T.

<u>Councillor Grant– Chair</u> <u>Councillor Bhavsar – Vice-Chair</u>

Councillor Aqbany Councillor Joshi Councillor Scuplak Councillor Clair Councillor Newcombe

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41. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Suleman.

48. CULTURE AND LEISURE TASK GROUP - FINAL REPORT - REVIEW OF SPECIAL OLYMPICS LEICESTER 2009

Councillor Clair submitted a report that presented the findings of the Culture and Leisure Task Group review into Special Olympics Leicester 2009.

Councillor Clair introduced the report and explained that the Task Group met once formally in the form of a session that gained evidence from key stakeholders including the Chair and Board Members of Leicester Games 2009 Ltd, the Director of Cultural Services and the financial advisor to Leicester Games 2009 Ltd. The core element of this meeting was the conduction of a questions and answers session that sought to clarify several issues of concern raised by the Task Group.

Councillor Clair informed the Board that a number of conclusions were formed following the session. One such conclusion was an acceptance from the Task Group that all reasonable efforts were made to obtain necessary commercial sponsorship for the games. It was also noted how close Leicester Games 2009 Ltd were in achieving sponsorship, but that it was difficult for Members to take a considered view on whether the expectations at the outset were realistic. It was reported that the Task Group also concluded that lots of sponsorship activity was undertaken at a national and local level and that given the timescales involved in negotiations, any extra activity would have been extremely difficult. However, the Task Group did recommend that more extensive risk assessments be undertaken in the future at the outset of the planning phase for similar events and that general fundraising activities for such events should be undertaken much more in partnership, and with the direction of the governing body.

Amongst the recommendations put forward by the Task Group was that fuller cross-party involvement of the planning of future similar events was required. It was recommended that given the resource implications of hosting events such as the Special Olympics, consideration should be given to holding the event on a regional basis rather than in a specific city and to the provision of a central Government funding stream specifically in support of sporting events for people with learning difficulties. The report also asked Cabinet to write on behalf of the Council to the Minister for Sport, the Minister for Disability and Special Olympics GB, outlining the recommendations.

The Chair endorsed the model of scrutiny employed by the Culture and Leisure Task Group during this review, and welcomed future scrutiny exercises to be carried out in a similar way. It was also noted by members that officers who presented evidence were open in their participation.

RESOLVED:

- (1) That the recommendations of the Culture and Leisure task Group be supported; and
- (2) That the report be forwarded to Cabinet for consideration.