

Birmingham City Council

Report to Cabinet

25th July 2023



Subject: Sport Accord World Business & Sport Summit
Report of: Craig Cooper, Strategic Director City Operations
Relevant Cabinet Member: Councillor John Cotton - Leader

Relevant O &S Chair(s): Cllr Albert Bore - Coordinating
Report author: Chris Jordan – Assistant Director Neighbourhoods

Are specific wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s): Ladywood Ward		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011654/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

- 1.1 The report sets out the opportunity for Birmingham to host the Sport Accord World Business and Sport Summit, should the bid to fund the event through WMCA's Commonwealth Games Legacy Fund be successful.

2 Recommendations

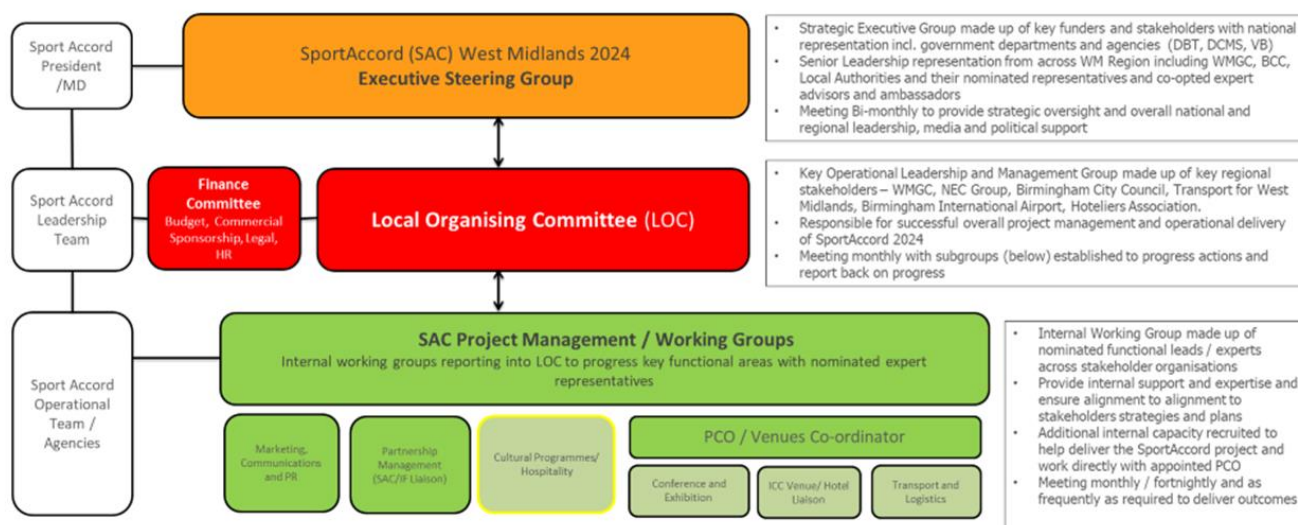
- 2.1 Cabinet agrees retrospectively for the City Council to be the named grant recipient for the £3m bid by the WMGC to the WMCA's Commonwealth Games Legacy Fund to host Sport Accord and should the bid be successful to accept the grant.

- 2.2 Should the City Council be awarded the rights to host Sport Accord, Cabinet delegates the approval to spend the grant to the Strategic Director City Operations and authorises the completion of all legal and procurement matters, associated with the summit, including payment of the rights fee, to the Strategic Director – City Operations (or their delegate), in conjunction with the Assistant Director, Procurement (or their delegate), the Interim Director of Finance (or their delegate) and the City Solicitor and Monitoring Officer (or their delegate)
- 2.3 Cabinet delegates authority to the Strategic Director - City Operations in conjunction with the Assistant Director, Procurement, the Interim Director of Finance (Section 151) and the City Solicitor & Monitoring Officer (or their delegates) in consultation with the Cabinet Member for Finance and Resources to approve a procurement strategy/strategies and then to award contracts for the procurement over the procurement threshold as required to deliver the event.

3 Background

- 3.1 Sport Accord World Business and Sport Summit brings together over 2000 delegates, from 1000 different organisations and 145+ International Sporting Federations affiliated with the International Olympic Committee (IOC) who all host their Annual General Assemblies at SportAccord each year.
- 3.2 The 6-day international business summit is attended by global leaders of sport represented at the highest levels. Previous editions have been held usually around the hosting of a Major International Event (Athens, Beijing, London, Dubai, Sochi) with the last edition being held on the Gold Coast Australia in 2019 following their hosting of the 2018 Commonwealth Games.
- 3.3 The City and the Region have an opportunity to bring this event to Birmingham in April 2024. WMGC have been leading this work, and although this will remain a partnership approach, the City Council will be the named Host City and will enter into the legal agreement to deliver the event.
- 3.4 The primary objective in hosting SportAccord in Birmingham & the West Midlands will be to market and promote the city and our regions assets, venues and infrastructure to the international sporting community, attracting an unprecedented level of interest and stimulating hosting opportunities for a strong pipeline of Major Sporting and Business Events for the next decade.
- 3.5 The city and its regional partners will be responsible for 'hosting' and 'co-producing' the event and as a result we will have direct influence over the conference programme, speaker slots, delegate itineraries, cultural and social programme and hosting familiarisation visits to showcase regional host venues.
- 3.6 As part of the organising structure, a West Midlands Steering Board will be established made up of key representatives from across the region to ensure that we deliver a conference and social programme that showcases the best of the region's cultural assets and infrastructure and positions Birmingham and the West Midlands future hosting ambitions at the forefront of the event.

- 3.7 A Local Organising Committee (LOC) will also be established and as the host Local Authority, Birmingham City Council will work with WMGC to establish a leadership and management group made up of key regional stakeholders – NEC Group, TfWM, Birmingham International Airport, Hoteliers Association, Convention Bureau - responsible for overall project management and operational delivery of SportAccord 2024, leaning on previous experience of successfully delivering the Birmingham 2022 Commonwealth Games.
- 3.8 Alongside the LOC will sit a separate Finance Committee, with officers from BCC and WMGC responsible for giving assurance to the Executive Steering Committee that the event is being delivered within the agreed budget of £3.013m



- 3.9 The proposed governance structure for SportAccord is based on the recommended approach specified in the contract with a Local Organising Committee (LOC) being established at the heart of the partnership between SportAccord (SAC), West Midlands Growth Company (WMGC), Birmingham City Council (BCC), The NEC Group (NEC) and our key regional stakeholders. The LOC will be underpinned by an internal WMGC Project Management Group which will be established to progress some of the critical functional elements. The details of those involved in the SAC Project Management Group and the specific thematic allocation of responsibilities, as well as the other groups is set out in Appendix 1. A Professional Conference Organiser (PCO) will be appointed to oversee the operational delivery of the Conference and Exhibition, as will an Event Lead/Project Manager required within BCC to ensure opportunities to the council are maximised and city council's responsibilities are discharged. In addition, we propose establishing a high level Executive Steering Board which will provide strategic direction and influence and help to ensure political and organisational support for the hosting programme and conference.
- 3.10 A useful comparison to illustrate the SportAccord opportunity would be hosting a major international business event like MIPIM or COP 26 in city. There is simply

no better platform to promote Birmingham and the West Midlands Major Event hosting ambitions and credentials to a global delegation of sports business leaders and reinforce our position as world class host of Major International Events building on the success of the Commonwealth Games.

- 3.11 In 2019 Sport Accord was funded by Queensland Tourism and Events and City of Gold Coast as host venue and their total investment was in the region of \$6.5million Australian Dollars (£3.3m Sterling). The investment was seen as a central pillar in their strategy to attract future Major Events to Queensland after successfully hosting the 2018 Commonwealth Games. Their evaluation concluded that the event 'broke even' in economic impact terms for the visitor and associated hospitality businesses, however it played a critical role in elevating and enhancing the reputation and image of their city region as a future host of Major Events. By hosting top level IOC members and senior delegates from International Sporting Federations for a week on the Gold Coast, the event is known to have played a key role in the region subsequently being awarded the 2032 Brisbane Olympics.
- 3.12 UK Sports assessment is that whilst there is an expected direct and indirect economic impact on the local economy, SportAccord is a unique hosting proposition with a targeted global profile within the world of sport and the key benefits are around soft power, international relations and reputation. It is also a chance to set the agenda for such an influential global conference allowing West Midlands and the UK to advance its objectives around, for example: trade and investment through sport, sports tourism, the hosting of major sporting events and delivering sustainable impacts.

4 Options considered and Recommended Proposal

- 4.1 The options considered regarding this event were;
- 4.2 To not hold the summit; the event would not be delivered and the potential opportunities identified through this report lost.
- 4.3 To hold the summit with Birmingham as the host; the event is fully budgeted for through the Regional Events pot and will market and promote the city and our regions assets, venues and infrastructure to the international sporting community, attracting an unprecedented level of interest and stimulating hosting opportunities for a strong pipeline of Major Sporting and Business Events for the next decade.
- 4.4 To hold the summit with another local authority in the region as the host; the WMGC in developing the proposal recognised that following the success of the Commonwealth Games and the infrastructure that exists in the city that Birmingham was the most viable location to host this event.
- 4.5 It is recommended that holding the summit with Birmingham as the host is the preferred option.

5 Consultation

- 5.1 There has been engagement with various partners in considering the potential of this event including WMGC, the ICC / NEC Group, Sport Accord and the Directors responsible for Economic Development (through the WMCA group)
- 5.2 Consultation has also taken place with Councillor Sharon Thompson – Deputy Leader, Councillor Saima Suleman – Cabinet Member for Digital, Culture, Heritage & Tourism and Councillor Brigid Jones – Cabinet Member for Finance and Resources

6 Risk Management

- 6.1 The Local Organising Committee and Project Management Group will be responsible for developing the risk register for the event. However at present the main risk to the city council, should the funding bid be secured, is delivering an event within nine months and ensuring the event is managed within budget. The budget risk has been minimised as many of the costs in the budget already have firm quotations behind them and the budget also includes an appropriate contingency sum within it, in addition a separate Finance Committee will be set up to ensure that delivery against budget is closely monitored. The delivery time pressures will be mitigated by bringing in the two posts referenced in 3.8.

7 Compliance Issues:

- 7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?
 - 7.1.1 The primary objective in hosting SportAccord in Birmingham & the West Midlands will be to market and promote the city and our regions assets, venues and infrastructure to the international sporting community, attracting an unprecedented level of interest and stimulating hosting opportunities for a strong pipeline of Major Sporting and Business Events for the next decade. This aligns with the Major Sporting Events Strategy 2022-32 adopted by Cabinet.

7.2 Legal Implications

- 7.2.1 Under S.2 Local Government Act 2000 the Council is empowered to do anything which it considers is likely to further the social and economic wellbeing of its area. The hosting of SportAccord in Birmingham will further the wellbeing of local residents and create future employment opportunities.
- 7.2.2 The Council has a best value duty under the Local Government Act 1999 to improve the efficiency, economy and effectiveness of the services it delivers. The Council has powers under the Local Government Act 1972 to effectively manage its assets. The SportAccord will bring a financial benefit to the local community by creating sponsorship and business opportunities for the city.

- 7.2.3 The Council's in-house Legal team will complete all legal matters associated with any transactions.

7.3 Financial Implications

- 7.3.1 The total cost of hosting SportAccord is projected as £3.013m. A breakdown of this is provided in paragraph 7.3.6 and includes contingency of £0.193m.
- 7.3.2 The West Midlands Growth Company (WMGC) has prepared a submission seeking to secure £3.0m from the West Midlands Combined Authority (WMCA) Commonwealth Games Legacy Fund. There remains a gap of £0.013m between the grant bid and projected cost, this will be funded through event income generation. WMGC estimates indicate that the level of income generated will exceed £0.206m which would free up the contingency allocation.
- 7.3.3 The Local Organising Committee will be required to ensure that the event is delivered within the available budget and in doing so there is no requirement for funding from the city council. In signing the hosting contract the city council formally becomes the accountable body for the event. A finance committee will be established to support the LOC in actively managing the budget and also to provide assurance to the Executive Steering Board that costs are being contained within the available budget envelop.
- 7.3.4 The financial model for SportAccord is that the 'host' is responsible for meeting the costs associated with staging the event which includes;
1. Providing the conference venue (6 days)
 2. Catering for delegates during course of conference (2000 delegates)
 3. Guest VIP receptions and award dinners (opening and closing ceremonies)
 4. Hotel accommodation for SportAccord, IOC members and VIPs (circa 350 rooms)
 5. Transport and airport shuttles for VIP delegates
 6. SportAccord Exhibition Arena
 7. Event production and delivery (appointment of PCO)
- 7.3.5 Contained within the projected cost is a SportAccord Rights Fee of 1.0m Swiss Francs (CHF) (£0.890m sterling at current exchange rate) which will be paid to SportAccord on signing of the contract and enable them to appoint a dedicated team to work alongside the Steering Board and Local Organising Committee.
- 7.3.6 The budget estimate below has been developed by WMGC using actual quotes obtained from venues and estimates based on experience gained through the BATP Hosting Visits. The hosting obligations outlined in the Sport Accord masterplan/contract have also been reviewed to estimate Civic Receptions and opening/closing ceremonies.

Sport Accord 2023 – Forecast Budget	
ICC Venue Hire	£368,872
Conference Catering	£243,870
Accommodation	£317,715
Transport/VIP Travel	£130,000
Event Organisation / Production / Branding	£370,000
LOC structure and operating costs	£200,000
Opening and Closing Ceremonies	£110,000
Reginal Hosting Visits/Social Events	£150,000
Civic Reception	£40,000
Sport Accord Estimated Hosting Cost	£1,930,457
Contingency @ 10%	£193,045
SportAccord Rights Fee	£890,000
Total Forecast Expenditure	£3,013,502

7.4 Procurement Implications

7.4.1 Any procurement resulting from these recommendations will comply with the Council's Procurement and Contract Governance Rules (PCGR) and the Public Contract Regulations 2015, a summary is set out in the table below.

Sport Accord 2023 Requirements	Budget Estimate	Proposed Procurement Route
ICC Venue Hire	£368,872	See para 7.4.2 i
Conference Catering and ceremonies	£353,870	See para 7.4.2 i
Exhibition hire, Audio Visual, production	£195,000	See para 7.4.2 i
Accommodation and VIP dinner	£357,715	See para 7.4.2 ii
Regional Familiarisation Visits and Hosting programme	£150,000	See para 7.4.2 iii
Transport/VIP Travel	£130,000	See para 7.4.3
SportAccord Rights Fee	£890,000 (1 million Swiss Francs)	See para 7.4.4

- 7.4.2 The procurement strategy for this event will include the use of the negotiated procedure for the following:
- i) ICC – Venue hire, conference catering & ceremonies, exhibition hire, AV and production
 - ii) Grand Hotel – Accommodation and VIP dinner
 - iii) West Midlands Growth Company – Regional Familiarisation Trips and hosting programme.
- 7.4.3 Quotes will be obtained for transport/executive travel including drivers in line with PCGR.
- 7.4.4 Payment of the SportAccord Rights Fee is not a procurement and is out of scope of the Council's PCGR on the basis of 1.8(ix) that the Council has no discretion in the payment of the fee.
- 7.4.5 This event has to be delivered at short notice and will require the commissioning of additional professional resources in compliance with Public Contract Regulations 2015 to lead this within the City Council's Events Team. If an employment route is taken on a fixed term basis, this would not be a procurement.
- 7.5 Public Sector Equality Duty
- 7.5.1 An Equality Assessment has been undertaken and no adverse impacts have been identified.

8 Appendices

- 8.1 Appendix 1 Roles and Responsibilities of Partners
- 8.2 Appendix 2 Environment and Sustainability Assessment

9 Background Documents

- 9.1 None