Cycling Festival Launch of Oldham Olympic Project

Report of Executive Director, Economy, Place and Skills

Portfolio Holder: Cllr JF McCann, portfolio holder for Regeneration and Environment

20 December 2010

Officer Contact: June Smith, Principal Regeneration Officer
0161 770 5164

Purpose of Report
To seek approval for money to hold the Halfords Tour Series in Oldham in May 2011 as part of week long festival of cycling throughout Oldham Borough, which will launch the Oldham Business Leadership Group (OBLG) Olympic project.

This funding will enable us to leverage private sector funding and attempt to secure Sports Match funding for an elongated cycling festival.

Recommendations
The report recommends the approval of £25k PIF funding to enable leveraging of European funding and facilitate further negotiation with event organiser Sweetspot to secure Oldham as a venue for the 2011 Halfords tour series.
Cycling Festival launch of Oldham Olympic Project

1 Background

1.1 Oldham Business Leadership Group (OBLG) working in partnership with public sector and voluntary sector partners are driving the Oldham Olympic project which seeks to optimise the benefits for Oldham from London 2012 and create a sustainable legacy for the borough. The project is coordinating a programme of activity across thematic areas including Sport, Tourism, Borough Profile, Arts and Culture and Health and Well Being.

Michael Bennett (MD Pelican PR) and OBLG lead for raising the profile of the borough, has identified Oldham’s cycling offer, which is used as a training ground for the British Cycling team, as a particularly strong and unique selling point for attracting external interest and adding value to the Oldham Olympic project.

A brief research commission has identified the Halford’s Tour Series as the event most appropriate to the achievement of strategic objectives for the Olympic project. The proposal is to incorporate the Halfords showcase event as part of a week long festival of cycling across Oldham in order to further exploit the social and economic advantages for the borough i.e.

- Attract cyclists to Oldham
- Encourage residents to get active
- Promote community cohesion

The timing of the event, late May 2011, and the national media attention it receives, provides an ideal platform to launch the Oldham Olympic project and so start to raise the profile of the Borough.

1.2 The strategic objectives within the Olympic project are to:

- To create a sustainable economic, social and sporting Olympic legacy for Oldham Borough
- To add value to Oldham’s tourism and visitor economy
- To increase the Borough’s positive profile
- To widen interest and participation in sport, health and well being.
- To achieve optimum local value from London 2012 procurement opportunities

The Halfords Tour cycling event and subsequent festival of cycling activity contribute to the first four objectives and links to the corporate plan as follows:

- An Address of choice, a healthy and active place…….encouraging healthy lifestyles including increased participation in sport, physical activity, the arts and a range of wider positive activities…..
2 **Current Position**

2.1 Having identified the optimum cycling event i.e the Halfords Tour series, Pelican PR have undertaken further research to determine an outline of costs, event management, the wider framework for the festival and timescales.

Management of the showcase event is highly specialised and owned by Sweetspot. Procurement confirm that further tendering is not necessary due to the specialist nature of the event and 9/6/11 has been secured with event organisers subject to payment of a £25k deposit.

The Halfords Tour event would take place around a mile long circuit within the town centre on 9/6/11. The event package costing £38k to Sweet Spot plus circa £23k ancillary expenses includes:

- A dedicated Sweetspot event manager
- Detailed liaison with Oldham partners
- All Risk Assessments and Health and Safety.
- Security Management
- Full Event Management Delivery (On The Day).
- Photo Finish facilities.
- Placement of Television Coverage, TV Production and Broadcasting.
- Contracting of Riders.
- OMBC Prize Money.
- Website production and management
- Marketing and media
- Stakeholder liaison, schools, businesses, professional organisations, governing bodies
- All barriers, hospitality, signage, structures, logistics, infrastructure and branding for the Tour Series race.

2.2 Festival events would include youth or schools races, local club races and community events around the borough with additional profile events being managed by Pelican PR, funded from private sector sponsorship raised via OBLG.

2.3 Woking, one of the ten venues currently signed up for Halfords Tour series reports 15,000 spectators to their race in 2010, of which 52% travelled from outside the region and 33% stayed overnight. The GVA for these visitors was over £800 000 and 11 FTE jobs. In addition, Oldham has aspirations to create one apprentice and one future jobs fund position.

2.4 The report seeks approval for money in order to enter into contract with Sweetspot and leverage in the additional funds that are required to stage the event. The following private sector funding is secured subject to the requested PIF which was approved by leadership on 20/12/10:

- £20k Town Centre business Improvement District
• £10k in kind from Unity
• £6k business investment

3 Options/Alternatives

3.1 Given the context for the event as the launch of the Oldham Olympic project, one alternative would be not to hold a prestigious launch event, incurring a cost saving of £25k. The proposed week long cycling festival could be developed and promoted using local media. However this option would sacrifice the opportunity to raise the profile of the borough in national media and realise the potential economic benefit outlined in 2.3.

Pelican PR considered other event options:

• The National Elite Circuit Race Series
• The Nocturne Series

These options together with the Halfords Tour series are all criterium races which provide good opportunities to showcase the town centre, rather than larger tours or day races that just “pass through”.

Nocturne Series organisers have said that they are not interested in Oldham as the event centres on larger cities.

National Elite Circuit could be staged in Oldham. The event, administered by British Cycling is broadcast on Eurosport and would require a £20k payment to run the event. However, this does not include any marketing, publicity, national media coverage or prize money. The event would require considerable additional investment locally to achieve the economic benefit outlined above.

4 Preferred Option

4.1 The Halfords Tour series event is the most appropriate event for Oldham’s demographic and economic profile.

5 Consultation

5.1 Consultation to date has included:

OBLG
OMBC cycling officer
Town centre management
Unity
OMBC Communications
OBLG Olympic Steering group

All parties are in favour of bringing the event to Oldham as the flagship for a weeks’ festival of cycling, subject to securing of funding and further consultation to develop a project plan.
6 **Financial Implications**

6.1 The estimated cost of the week long cycling festival is circa 

<table>
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<tr>
<th>Cost Description</th>
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<tr>
<td>Halfords Tour Event management</td>
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Funding sources:

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<tr>
<td>BID</td>
<td>£20k</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>£61k</strong></td>
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Treasurer's Comments

6.2 The project will be revenue expenditure and a charge against the Economy, Place and Skills – Economy & Skills revenue budget.

6.3 No provision exists within the revenue budget for this scheme, however it is expected that Priority Investment Fund (PIF) can be secured to lever in the other funding required to deliver the project.

6.4 An allocation of £50,000 has been made available for Promoting and Marketing the 2012 Olympics from PIF funding within the People, Communities and Society directorate. It is proposed that the £25,000 needed to fund this project be drawn from this budget.

6.5 The PIF funding is subject to securing all the necessary funding prior to commissioning any part of the project, it is anticipated that the project will be funded as follows:

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<th>2010/11</th>
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<tr>
<td></td>
<td>£’000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>25.0</strong></td>
<td><strong>36.0</strong></td>
<td><strong>61.0</strong></td>
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6.6 These comments replace the comments made on the previously approved delegated report in December 2010,

(J Kara 7/3/11)

7 **Legal Services Comments**
7.1 Under s2 of the Local Government Act 2000, every local authority have the power to do anything which they consider is likely to achieve one or more of the following objectives: the promotion or improvement of (a) the economic well-being of their area, (b) the social well-being of their area; and (c) the environmental well-being of their area. These powers may be exercised in relation to or for the benefit of all or any persons resident or present in the local authority's area and includes the power to incur expenditure, give financial assistance to any person, enter into arrangements or agreements with any person or co-operate with, or facilitate or co-ordinate the activities of, any person. Before exercising the power the local authority must have regard to guidance issued by the Secretary of State and to its own community strategy in relation to the 3 objectives. Paragraph 1.2 demonstrates the linkage with the proposals to the Council's Corporate Plan. The proposal also contributes to the Health and Well Being and cohesive society themes within Oldham's Community Strategy 2008-2020.

7.2 Should all funding be secured and the Council required to enter into a contractual relationship with Sweetspot, it would be necessary to waive the Contract Procedure Rules. Given that the event is owned by Sweetspot (paragraph 2.1) it would not be possible to undertake a procurement exercise to fulfill the requirement and therefore a waiver would be reasonable in such circumstances. [Daniel Howard]

8 Human Resources Comments

8.1 None

9 Risk Assessments

9.1 Risk Assessments are provided as part of the events management package.

10 IT Implications

10.1 None

11 Property Implications

11.1 None

12 Procurement Implications

12.1 Due to the specialist nature of the event, and in accordance with contract procedure rules, the Executive Director is requested to consult with the member and approve Sweetspot as the event manager.

13 Environmental and Health & Safety Implications

13.1 To be addressed in liaison with the event management company as part of the events management package.
14  **Equality, community cohesion and crime implications**

14.1 Partners will include schools and police who will be consulted on Equality, community cohesion and crime implications. The event management package includes event security.

15  **Equality Impact Assessment Completed?**

15.1 No

16  **Key Decision**

16.1 No

17  **Background Papers**

17.1 None

18  **Appendices**

Sweetspot Halfords Tour Presentation. Woking Economic Benefit

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