

**Report to: Executive Member for Culture and Leisure
22nd January 2009**

From: Head of Cultural Services

**Written by: Drusilla Moody, Tourism, Visitor Services and Events
Manager**

Great South Run – Operational Agreement

Purpose of the Report

- 1 The purpose of this report is to update the Executive Member on discussions with Nova International in respect of the future of the Great South Run being held in Portsmouth.

Recommendations

- 2 That officers be authorised to complete negotiations to enable PCC to enter into an agreement with Nova International for three years with an option for a further two years starting in 2009.
- 3 For each year the agreement is in operation a grant of £110,000 (indexed) is paid to Nova from within existing cash limits.
- 4 PCC fulfil the obligations as detailed in paragraph 19 from within existing cash limits.
- 5 That the agreement anticipated in recommendation 2 ensure that the benefits described in Appendix 3 are secured

Background

- 6 The Great South Run has been held in Portsmouth for the past 18 years. During this time there has never been a formal agreement between Nova International and PCC on the level of financial or officer support. Over the year's PCC involvement and the support required has dramatically changed with the advent of online entries. In the early years there was a significant administration involvement by PCC, which included handling all the race entries postal and personal.
- 7 In 2003 Nova introduced online entry and the council continued to handle the postal entries. In 2006 Nova went over to online entry only and the councils involvement ceased.

- 8 With the creation of the Events Team in 2006 the operation management of the Great South Run transferred from the Leisure service to the central team. At the time the Tourism Manager raised concerns that there was no formal agreement in connection with the PCC financial obligations. With the various changes in legislation and charges from external agencies there was no control on our financial commitments.
- 9 It was also a concern that the GSR did not receive the same publicity or profile of the Great North Run, especially no live TV and no national celebrities, which should have been provided considering the councils financial contribution towards this event.
- 10 In 2006 the Police introduced charges for managing all events which had a significant financial impact on our input into the event.
- 11 In 2008 we managed to secure live TV coverage for the event and an international star, Paula Radcliffe to run in the event. We launched her participation in the event on the Friday 24th October on HMS Victory and her involvement resulted in features in every national paper on the Saturday 25th October plus TV coverage. The resulting Advertising Value Equivalent (AVE) for Portsmouth and the Historic Dockyard was significant. (Appendix 1 table of viewing audiences achieved in 2008)
- 12 On Sunday 26th October we also had a Big Screen on Castlefield which had a major impact on spectators watching the progress of the race around the city.
- 13 In conjunction with Nova International the council commissioned an Economic Impact Study in 2008 and the results are attached in Appendix 2.
- 14 As a result of the TV, Economic Impact study and the organisational improvement carried out over the last couple of years the Great South Run has been awarded the International Association of Athletic Federation (IAAF) Gold Label Road Race award. To achieve any level of IAAF road race labelling races have to meet very exacting standards or organisational competence. To achieve IAAF Gold Label status an event has to demonstrate the very pinnacle of organisational standards. In 2009 many thousands of road races will take place throughout the world but there will be no more than 20 road races awarded Gold Label status.
- 15 A Sport England four-year grant of £40,000 per annum was granted for the 2005 run to develop local involvement. This grant

finished in 2008 and was identified as and at a Council meeting on the 12th February a budget pressure of £15,000 for police costs and a further £40,000 was approved to replace the Sport England grant.

Future arrangements

- 16 The council is now at a vital stage of the development of the Great South Run and having achieved IAAF gold label status and terrestrial television coverage, it is essential that we move forward with this event.
- 17 In discussions with Nova International it is proposed that the council adopt a different approach to our relationship, with the ultimate ambition of improving the event and playing to the strengths of respective organisations.
- 18 The council would make a financial grant of approximately £110,000 towards the costs of the event. (This contribution remains to be agreed with Nova).
- 19 The council would provide, in an operational capacity, the venue, resident and business liaison, access to current PCC facilities, management of car parking, booking of catering concessions. PCC will retain all profits made from the car park charges and from the site fees for catering units.
- 20 Nova will employ their own traffic management company that with liase with and secure the approval of the council's highways staff prior to implementation.
- 21 The agreement would have effect from 2009 to 2011, with an option for the council to extend for a further two years, with heads of agreement to be signed on or before the time of the 2009 event launch on January 20th.
- 22 If financial support is agreed Nova would expect to be able to continue to use these organisations at the PCC rate card; rather than paying increased prices as an individual company to use their services i.e. litter collection with the PCC contractor.

Financial implications

- 23 The grant agreed with Nova (expected to be approximately £110,000) can be met from within the 2009/10 Culture and Leisure cash limit. The PCC Grant includes any sum

attributable to the VAT payable to Nova in carrying out the event.

- 24 PCC will be responsible for costs totalling a further £19,400 to meet the obligations as shown in paragraph 19 above. These costs will also be funded from within the 2009/10 Culture and Leisure cash limit.

Links to Corporate Priorities and Targets

- 25 The event contributes to the regeneration and culture of the city helping to support the health and the economy and supports the employment opportunities of the city.

Equality Impact Assessment

- 26 An Equality Impact Assessment is not required, as this is not a change to policy or service delivery.

City Solicitor Comments

- 27 The proposals within this report are within the powers of the city council.

Signed.....

Stephen Baily
Head of Cultural Services

List of attachments

- Appendix 1 – Table of viewing audiences achieved in 2008**
- Appendix 2 - BUPA Economic Flow Analysis**
- Appendix 3 – List of PCC Benefits**

The recommendations set out above were approved/approved as amended/deferred/rejected by the Executive Member on.....

Executive Member for Culture and Leisure

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SPORT, PHYSICAL EDUCATION
& ACTIVITY RESEARCH

Bupa Great South Run: Economic Flow Analysis *(Preliminary Report)*

Research Team

Professor Mike Weed
Dr Chris Bull
Dr Charlotte Leigh
Mr John Hills
Miss Suzanne Dowse

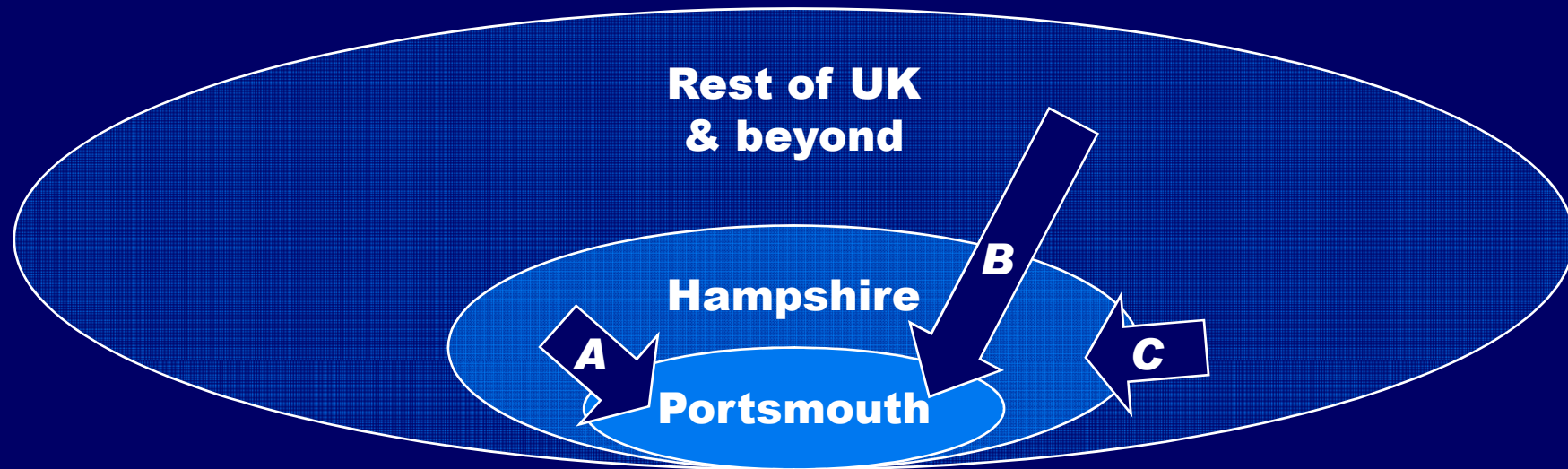
Field Team

Professor Mike Weed
Miss Suzanne Dowse
Miss Helen Curtis
Miss Jo Fiore
Dr Jon Swain
Mrs Sonja Weed

What is *Economic Flow Analysis*?

- ***Economic Flow Analysis*** is a more sophisticated form of Economic Impact Study that, in addition to calculating economic impact, calculates the geographic origin of economic flows, of runners, and of spectators.
- ***Economic Flow Analysis*** also analyses the travel behaviours and activities, demographic and socio-economic characteristics, and tastes and preferences of runners and spectators by geographic origin.
- For this study, the economic flows from every county in the UK into Portsmouth, and into Hampshire have been calculated.
- This preliminary report contains summary information. A more detailed analysis will be provided at the end of January.

Key Economic Flows



- NET IMPACT ON PORTSMOUTH = $A+B$
- NET IMPACT ON REST OF HAMPSHIRE = $C-A$
- NET IMPACT ON HAMPSHIRE = $B+C$

Top-Line Figures

	PORTSMOUTH H	REST OF HAMPSHIRE <small>(excluding Portsmouth)</small>	HAMPSHIRE
TOTAL NET IMPACT	£625,479	£46,128	£671,607

- Runners: 11,985
(starting the event)
- Spectators: 9,468

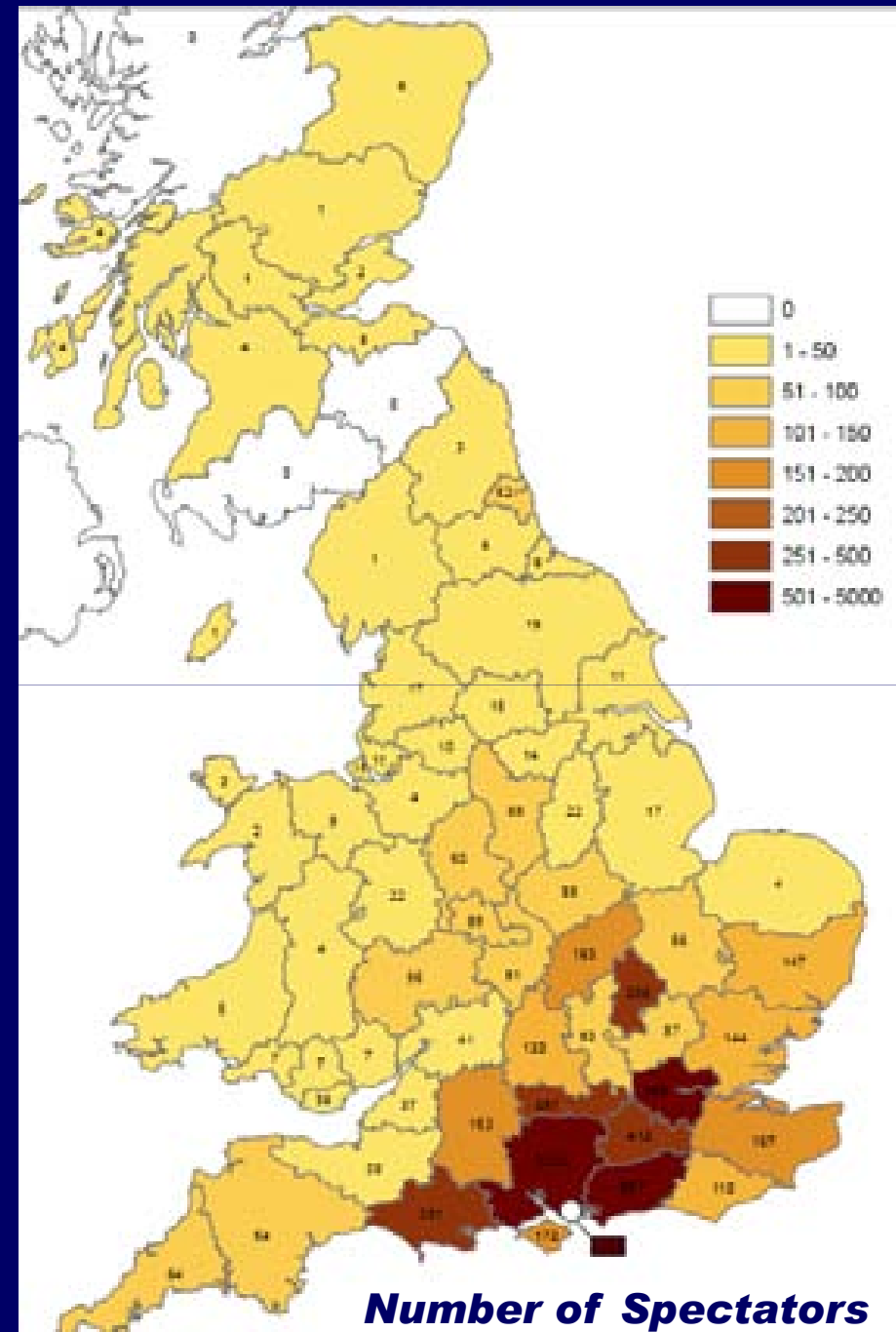
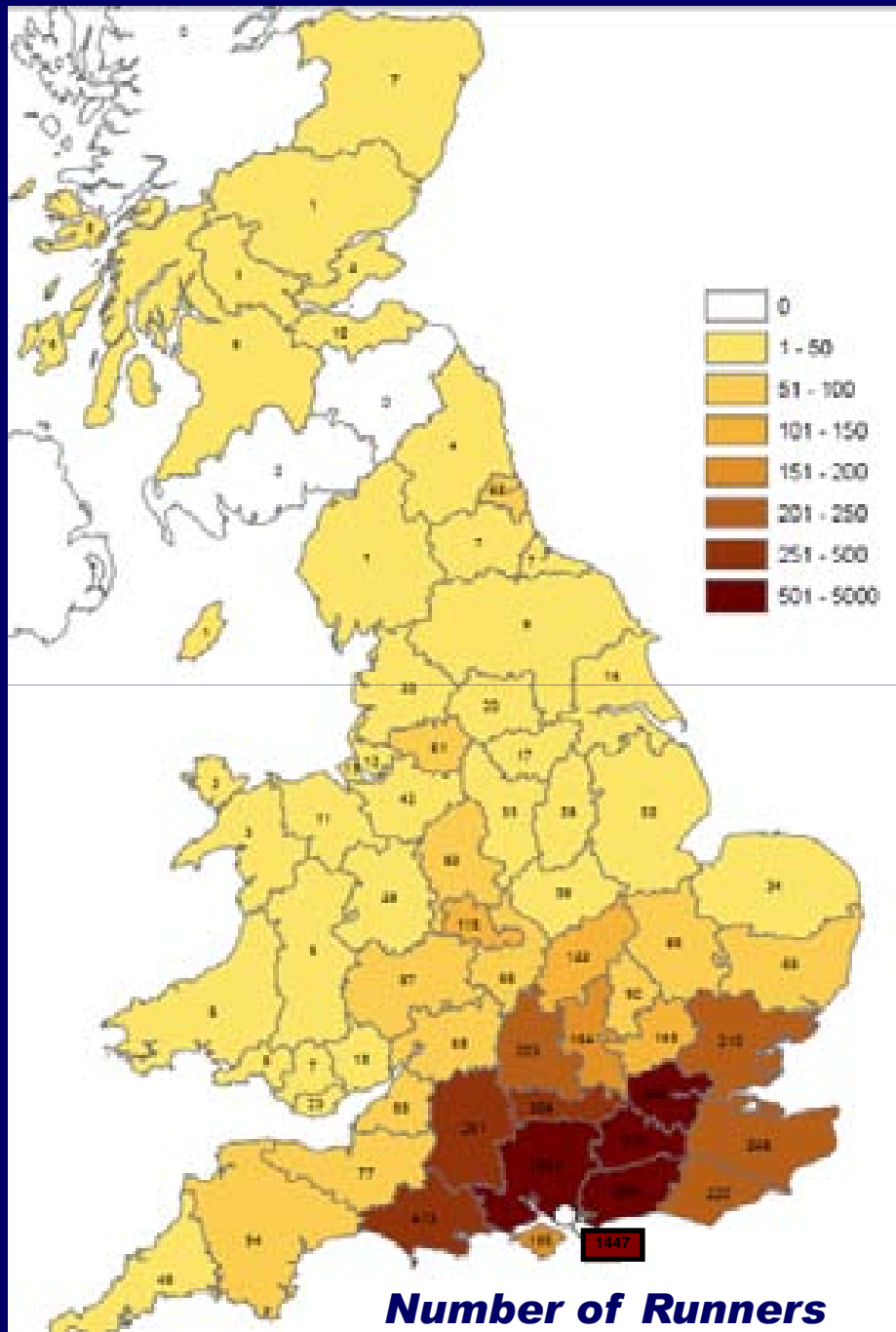
Top Line Figures

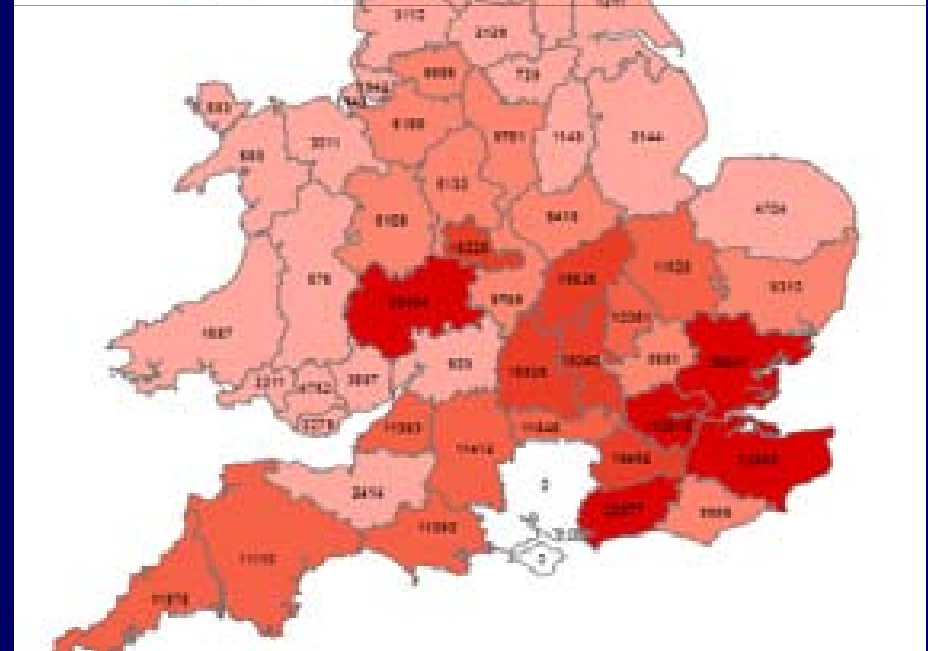
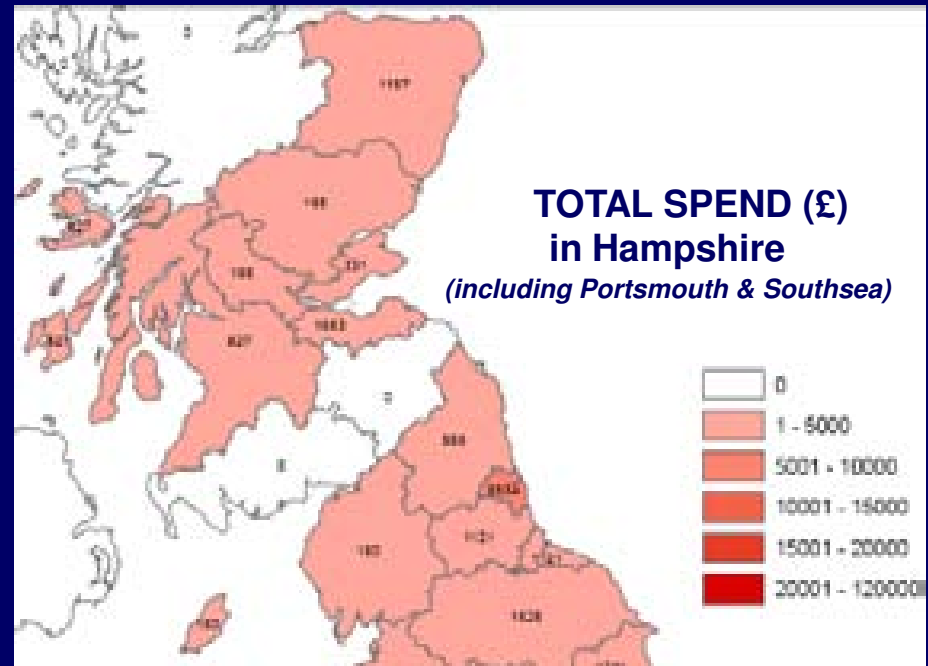
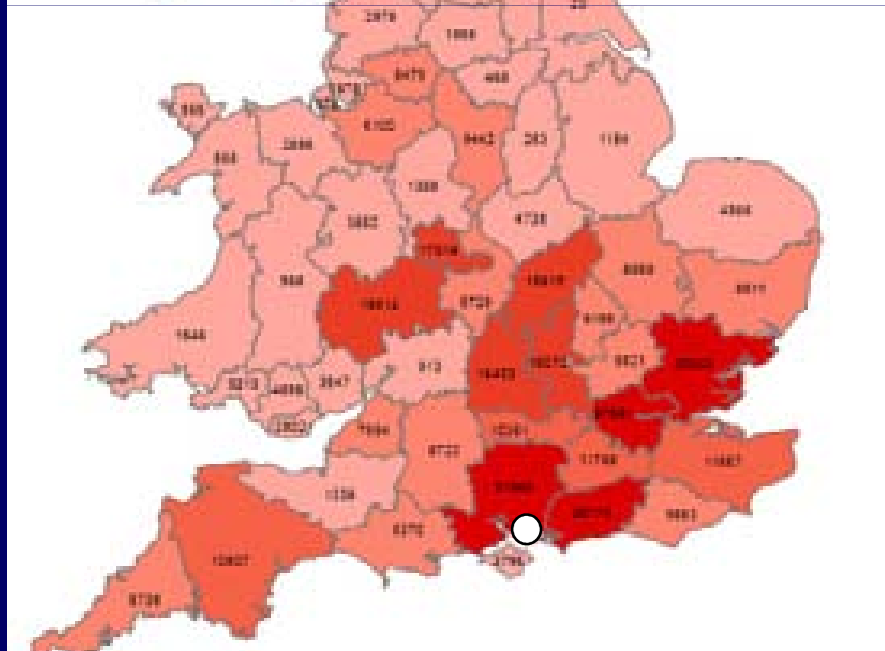
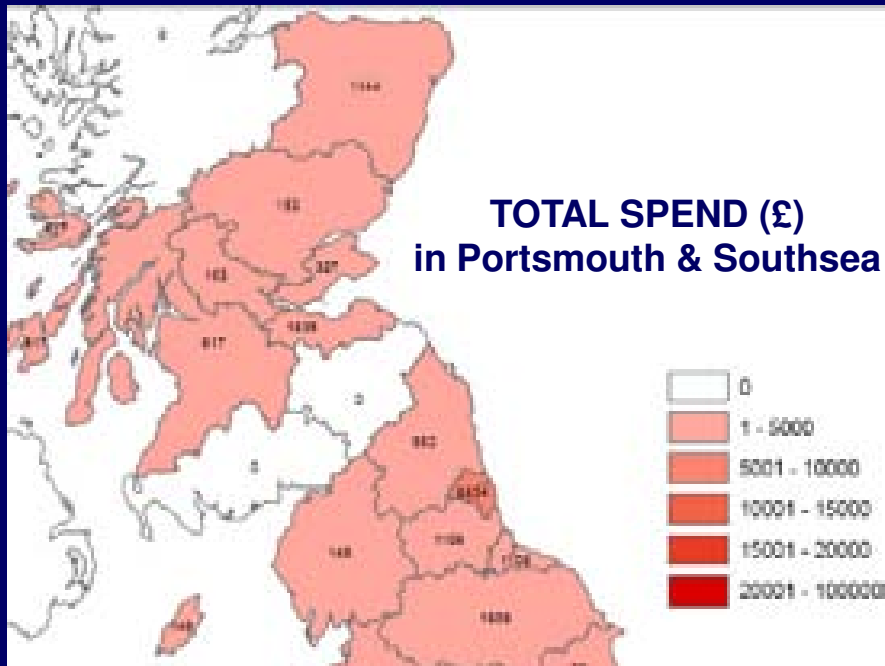
	PORTSMOUTH H	REST OF HAMPSHIRE (excluding Portsmouth)	HAMPSHIRE
TOTAL NET IMPACT	£625,479	£46,128	£671,607
IMPACT FROM RUNNERS	£273,772	£25,770	£375,202
IMPACT FROM SPECTATORS	£216,276	£20,358	£296,404
IMPACT FROM EVENT ORGANISER, CHARITIES, SPONSORS, ETC.	£135,431	---	£135,431

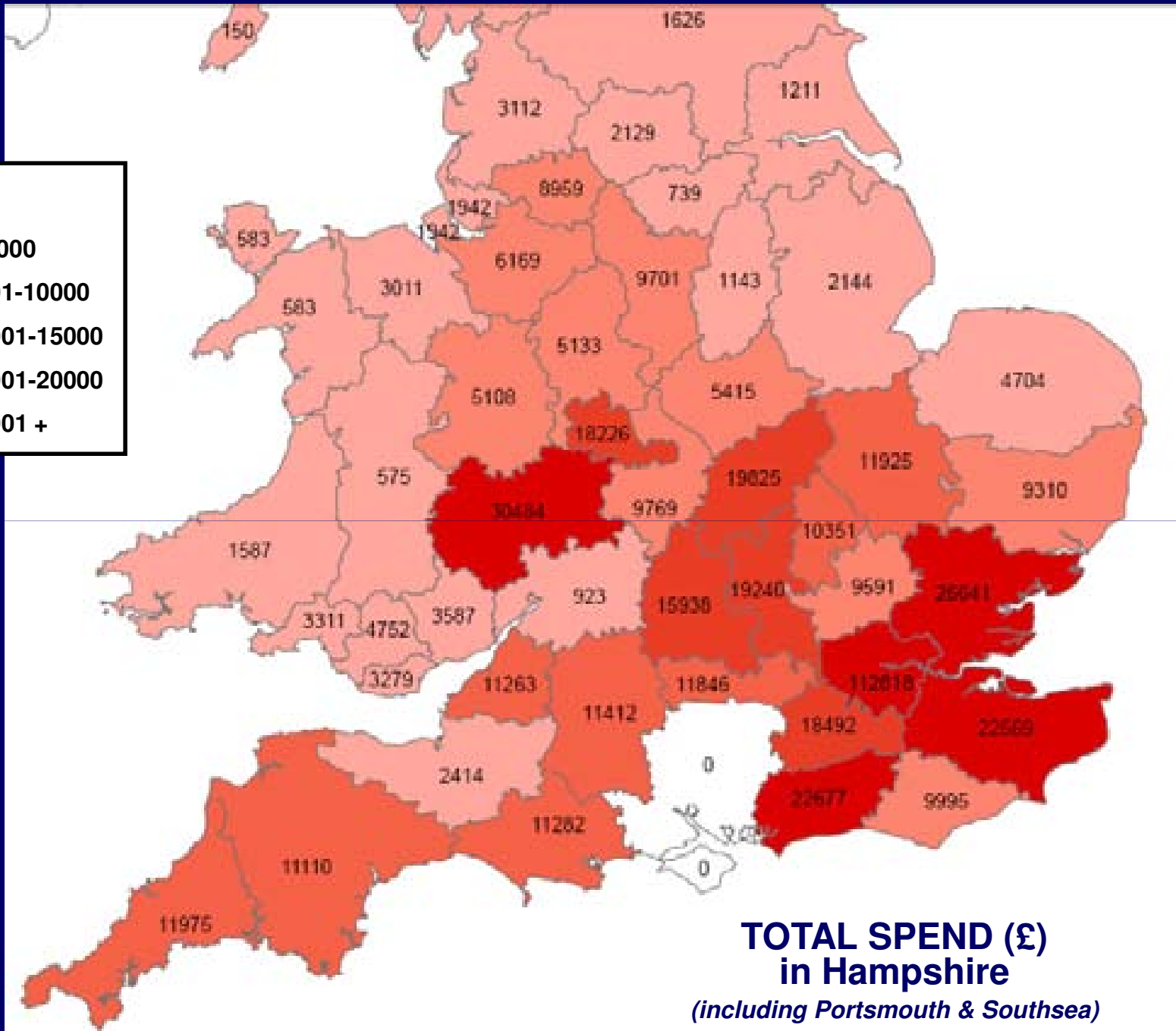
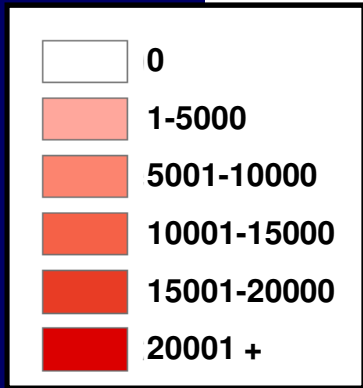
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Some Speculations

- There were 19,700 entrants registered for the event. It is likely that the poor weather contributed to the numbers starting the event being only 60% of this number.
- If the weather had been better, and the number of starters had been 15,000 (circa 75% of entrants), or even 18,000 (circa 90% of entrants) the net economic impacts would have been at least:

	PORTSMOUTH	REST OF HAMPSHIRE (excluding Portsmouth)	HAMPSHIRE
For 15,000 starters	£748,758	£57,732	£806,490
For 18,000 starters	£871,424	£69,278	£940,702

- Furthermore, these speculations are only based on “scaling up” the spending from the 2008 event (i.e., increasing the number of people). It is likely that good weather would also encourage people to stay a little longer after finishing the event and thus spend more (i.e., increase spend per person).
- SPEAR is therefore of the opinion that, due to the poor weather on the day of the event, the economic flows induced by the 2008 event represent the “worse-case” of what may be possible in the future.

Information that will be available in the Full Report

- Itemised spending (accommodation, food & drink, souvenirs, etc.) from each county in the UK in Portsmouth and in Hampshire.
- Spending and itemised spending by distance travelled.
- Travel behaviours and activities (e.g., modes of travel, numbers staying overnight, numbers visiting attractions, etc.) by county of origin and distance travelled.
- Demographic and socio-economic data by county.
- Running and event behaviours, tastes and preferences by county.
(e.g. 57% of respondents said that if they felt an event and/or location provided a good opportunity for a short-break, they would incorporate an overnight stay)

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Appendix 1

Table of viewing audiences achieved in 2008

Broadcaster/Distributor	Format	Audience
Five (UK) Audience (combined)	Live (1 hour 30 minutes) & Highlights (30 minutes)	242,600 Total
Sky (UK) Audience Reach	Highlights (30 minutes)	6 Million
ESPN Star (Asia) Audience Reach	Highlights (30 minutes)	160 Million
SuperSport (Africa & Indian Ocean) Audience Reach	Highlights (30 minutes)	1.3 Million
Fox Sports (Australia) Audience Reach	Highlights (30 minutes)	1.68 Million
Setanta (Ireland) Audience Reach	Highlights (30 minutes)	100,000
Sport Expressen (Sweden) Audience Reach	Highlights (30 minutes)	500,000
Sport Klub (Poland & Croatia) Audience Reach	Highlights (30 minutes)	1.6 Million
Poverkhnost (Ukraine) Audience Reach	Highlights (30 minutes)	120 Million

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Appendix 3

PCC Benefits

- PCC has the right to refer to itself as Portsmouth City Council the official location sponsor of the Event.
- Use of photographs and film taken by PCC or the Event for promotional and publicity purposes.
- Assist in presenting the trophy and prize money to the winners at the event in association with other major sponsors and dignitaries.
- Use the name of the Event for marketing and publicity purposes.
- PCC logos will be used on all printed material of the Event.
- 8 correx double-sided lamppost signs and 8 correx advertising board's (2.5m x1m) in-camera position (PCC to provide artwork and to pay for production and erection of advertising boards).
- PCC logo will be carried on the uprights of the start and finish gantries
- 10 free hospitality places will be provided to PCC at the Event. Further places can be purchased by PCC at the prevailing price.
- Provide a double page spread within the pre-race magazine for the Event (if printed or alternative promotional tool for PCC to use to promote the venue/area). PCC to provide the artwork in line with the print timetable set out by Nova.
- Entry into any printed or alternative promotional tool in respect of the mini/junior runs. PCC to provide the artwork in line with the print timetable set out by Nova.