

**SUPPORT FOR THE  
2016 WOMEN'S HOCKEY CHAMPIONS TROPHY**

Presented by the Head of Sport & Leisure

**EXECUTIVE SUMMARY**

This paper provides information on the Authority's and partners proposed support for the June 2016 Women's Hockey Champions Trophy at the Lee Valley Hockey & Tennis Centre.

It is proposed that the Authority makes a financial commitment of £50,000 following commitment from other partners.

The 2016 Women's Hockey Champions Trophy will be the second major hockey event to be held at the venue since the London 2012 Games. The timing of this event is key to Great Britain's preparation for the 2016 Rio Olympic Games as it's the final competitive event before the team leave for Rio.

The paper sets out the issues for the Authority and the Lee Valley Leisure Trust and the range of significant benefits this event brings.

**RECOMMENDATION**

Members Approve:                   (1)   support for the event with a direct contribution from the Authority to the Lee Valley Leisure Trust of £50,000.

**BACKGROUND**

1    The Authority accepted handover of the Lee Valley Hockey & Tennis Centre (LVH&TC) in June 2014 after an extensive period of transformation works following the London 2012 Games. One of the key purposes of the LVH&TC is as a hockey events venue which was a promise set out to the International Hockey Federation (FIH) within the UK's bid for the London 2012 Games. The LVH&TC has already started to fulfil this promise by staging two internationals, the Investec London Cup in July 2014 and the European Championships in August 2015.

2    In November 2015 Members approved (paper E/427/15) a process for National

Governing Bodies (NGB's) to follow when seeking support from the Authority and an associated decision making criteria which applications will be scored against. Following this approval the process and associated criteria was communicated to:

- all relevant NGB's;
- UK Sport;
- Sport England (SE);
- Greater London Authority (GLA); and
- London & Partners.

Feedback has been very positive and detailed work is being undertaken with partners to plan the major event bidding programme for the next four years.

- 3 As detailed in paper E/427/15 Authority officers have been working closely with England Hockey (EH) to bring any future event funding in line with the recommendations approved by Members in November 2015. This included three events that had been bid for and won but event support had not been finalised. These were:

- Women's Hockey Champions Trophy - June 2016;
- Hockey World League Finals - July 2017;
- Women's Hockey World Cup - July 2018.

This paper seeks to cover the detail and proposed support for the 2016 Women's Hockey Champions Trophy. Authority officers are progressing discussions with EH in line with the major event bidding criteria regarding the two remaining events. A paper will be presented to Members at the end of this year to outline the proposed support for the final two events.

- 4 EH are continuing to show their commitment to LVH&TC by moving all their domestic and international finals to the venue for the foreseeable future which includes:

- U16 / U18 National Boys & Girls Schools Finals;
- U14 National Boys & Girls Schools Finals;
- U16 / U18 National Club Finals;
- Men's Hockey League Finals.

These bookings secured over £40,000 of income for the venue in this financial year and the 2016 finals programme has been finalised with 12 events confirmed and five (one off international matches) in negotiation between February and June 2016.

#### **THE 2016 WOMENS HOCKEY CHAMPIONS TROPHY**

- 5 The FIH calendar has now been finalised for 2016 and confirmed dates for the competition are 18 – 26 June 2016, with training days on 14 – 17 June 2016. June is not a peak month for Hockey but traditionally it is for Tennis due to the close proximity to Wimbledon. Any impact on the tennis programme is to be managed via a revised programme which is currently being drawn up with the Lawn Tennis Association (LTA) and Lee Valley Leisure Trust (the Trust).

- 6 The event is for women only. It comprises six teams with 108 athletes, 48

support staff and 19 officials. Nations that have already qualified include:

- Great Britain;
- Netherlands;
- United States of America.

Three other national teams will qualify following the completion of the final qualification process.

- 7 The commercial event rights for this event are held by FIH & EH along with all the broadcast rights, host rights have been agreed with BT Sport. The FIH & EH has targeted 100 million viewers and 200 hours of broadcast time over the period of the event. At the recent 2015 Hockey European Championships 1.3 million people viewed the Women's final match on the BBC alone.
- 8 The additional infrastructure required to support the event is significant. It involves a temporary stand being built on the main hockey pitch (raising the capacity from 4,000 to 5,000) and large marquees being erected around the venue requiring exclusive use of the venue by EH for a period of 14 days.
- 9 Running alongside the main event will be an international Under 23 Development Competition between 20 – 25 June 2016. The games are mainly played on the rest days and behind closed doors prior to any main sessions starting. Headline details of the competition are as follows:
  - four teams of both genders;
  - nations represented will replicate the main competition;
  - 16 matches in total, eight per gender;
  - no separate tickets or brand promotion;
  - finals will be in front of a crowd between the semi-finals of the main competition.
- 10 The event has a range of funding partners currently totalling £905,000:
  - UK Sport have agreed to make a cash funding contribution of £360,000;
  - GLA have agreed to make a cash funding contribution of £200,000;
  - EH are contributing a value in kind (VIK) and cash contribution of £295,000;
  - SE has agreed to make a cash contribution of £50,000 to the legacy programmes.

If Members approve the recommendation at paragraph 17 of this report the partner contribution to this event will total £955,000.

## **ISSUES FOR THE AUTHORITY**

- 11 The FIH & EH have budgeted the costs of hosting the event at circa £1.8m, see Appendix A to this report. This includes:
  - an event rights fee;
  - venue and logistics;
  - staffing;
  - contractors;
  - TV production;

- accommodation;
- transport;
- marketing;
- IT; and
- sports presentation.

Income includes:

- ticket sales;
- sponsorship;
- advertising;
- a financial commitment from event partners either via VIK or cash.

- 12 As per the Authority's major events support process, the 2016 Women's Hockey Champions Trophy has been assessed accordingly to the following criteria.

**Financial** – The robustness and deliverability of the business plan and its process to create an economic benefit for the Authority and Trust:

- overall financial risk;
- increased revenue through the venue (i.e., increased food & beverage sales);
- profitability level;
- increased stays at Authority visitor accommodation.

**Community Engagement** – To fully maximise community engagement across the Region, this includes an increase in opportunities for sports, volunteering and workforce development:

- a focus on sports participation, particularly in hard to reach communities and people new to the sport;
- sports programmes that can demonstrate longevity and a real commitment to ensuring lasting participation;
- ability to support the Authority in delivery of its Lottery Funding Agreement Targets (LFA's);
- opportunities for event volunteering, particularly in hard to reach communities and people not currently involved in the sport;
- a commitment to workforce development, mentoring and training, providing people new to the sport with opportunities to engage at a major event.

**Exposure** – The level at which the event can positively expose the Authority, regionally, nationally and internationally:

- event status to create a greater awareness of the venue and its facilities;
- broadcast plan and reach;
- media plan and reach;
- credibility of event.

**Strategic Value** – The level at which the event meets the strategic objectives of the Authority:

- delivering a regional audience with a non-riparian focus;
- support the Authority in becoming a must visit destination;
- stakeholder engagement.

The event scored a total of 72.29 out of 100 on the above scoring matrix with the minimum support level set at 65, section scores are as follows, details within Appendix B to this report:

- Financial – 30.44 out of 40;
- Community Engagement – 20.85 out of 30;
- Exposure – 14 out of 20;
- Strategic Value – 7 out of 10.

- 13 The proposed £50,000 payment to the Trust by the Authority is to cover the costs associated with the hire of the venue, direct costs and loss of potential income. Therefore from EH's perspective it is receiving £50,000 of VIK for the event from the Authority. Authority officers have worked closely with the Trust using the pre-agreed venue hire template to approve the appropriate value for hire.
- 14 Below is an overview of the benefits and opportunities the Authority and Trust will gain from the event which are in line with the proportion of support being made:

#### **Financial**

- all catering income will be retained by the Trust which is estimated to be net benefit of £30,000;
- Trust campsites will be advertised to spectators, volunteers and officials, potentially increasing sales/hires at these sites.

#### **Community Engagement**

- elite athlete attendance and coaching at LVH&TC Hockey programmes in the build up to the event;
- implementation of a coach, umpire and officials' development programme at the venue which will establish the LVH&TC as the central coaching hub for Hockey in the UK;
- a corporate event and workplace development programme across the spring / summer which will create more demand for recreational and 'back to' hockey at the LVH&TC;
- support from EH and help in promoting the current and new disability participation opportunities at LVH&TC;
- support and branding material for East London Clubs annual open days for new members and coordination of the East London Hockey stakeholders group;
- support for Schools Festivals at LVH&TC, whether led by the Authority or Education authorities;
- prior to the event, six outreach events will be held that engage 2,000 people from across the region;
- KPI set for at least 20% of the volunteer workforce be recruited from within 20 miles of the LVH&TC.

### Exposure

- the TV and media coverage will promote the LVH&TC, Authority and Trust as a whole, reaffirming the Lee Valley position as a world class leisure destination;
- 10 international broadcasters have been confirmed;
- between 20,000 – 25,000 spectators will attend the event;
- branding in key locations both on the venue, in promotional material and via the various communications channels;
- opportunities to market the venue activity programmes during the event;
- a range of VIP, standard and community tickets for all sessions, valued at £24,000;
- KPI set for 1,500 LVH&TC separate references through all publicity.

### Strategic Value

- access to event imagery and video footage for Authority and Trust marketing activities;
- access to all the email addresses from ticket holders to be used for specific targeted marketing initiatives.

The Authority and Trust benefits detailed above are safeguarded through specific clauses outlined within the venue use agreement with EH. The venue use agreement between the Authority and EH has been agreed in full with the Trust.

- 15 In addition to the event benefits, ongoing bookings from EH to secure domestic finals and competitions is a direct financial benefit to the Trust through increased hire income and secondary spend (see paragraph 4) and therefore also to the Authority pursuant to the management fee arrangements.
- 16 If Members approve the recommendations of this report, financial support for major events from the Authority for 2016/17 would be as follows:

Event	Authority Funding	Notes
2016 Wheelchair Masters Tennis - LVH&TC	£45,000	Within the approved 2016/17 budget
2016 Women's Hockey Champions Trophy	£50,000	2016/17 budget approval required
<b>Total</b>	<b>£95,000</b>	

- 17 Members are asked to approve the allocation of £50,000 to be paid to the Trust to support the supply of the LVH&TC to EH and the FIH to deliver the 2016 Women's Hockey Champions Trophy.

### ENVIRONMENTAL IMPLICATIONS

- 18 There are no environmental implications arising directly from the recommendations in this report.

## **FINANCIAL IMPLICATIONS**

- 19 The Authority will need to allocate a one-off contribution from the general fund reserve of £50,000 in 2016/17 to fund the hire arrangements of the venue for the event set out in this report. Estimated reserves are expected to be £4.6m in 2016/17 and therefore Member approval to allocate £50,000 will not reduce the reserves below the £4m minimum approved by Authority.

## **HUMAN RESOURCE IMPLICATIONS**

- 20 The event liaison will be undertaken by the Authority's Head of Sport & Leisure and the Senior Events Officer. This is the standard approach to events of this nature and is funded from existing budgets.

## **LEGAL IMPLICATIONS**

- 21 The venue use agreement for the event includes provisions dealing with the £50,000 worth of support from the Authority to EH. Until the major events sign-off process referred to in paragraph 22 below is formally adopted (pursuant to which a side agreement between the Authority and the Trust will be entered into for each major event), the Leisure Services Contract provisions on major events deal with the corresponding arrangements between the Authority and the Trust.

## **RISK MANAGEMENT IMPLICATIONS**

- 22 A major events sign-off process has been agreed between senior officers of the Authority and the Trust and is awaiting formal approval. This process recognises that the hire fee quoted by the Trust is an accurate assessment of the loss of income and other costs the Trust will incur in connection with the event and has been signed off by the Trust's Managing Director.

The hire fee is fixed. The process recognises that the Trust bears the potential risk of the costs it actually incurs exceeding the stated hire fee and that no provision/adjustment will be made to the Management Fee in connection with this arrangement. This reflects the commercial arrangement agreed between the parties.

## **EQUALITY IMPLICATIONS**

- 23 There are no equality implications arising directly from the recommendations in this report.

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## **PREVIOUS COMMITTEE REPORTS**

Executive	E/427/15	National Governing Body Major Event Support 2016-202	26 November 2015
Executive	E/192/12	Eton Manor Hockey & Tennis Centre - Hockey European Championships Bid 2015	23 February 2012

**APPENDICES ATTACHED**

Appendix A	Event Budget
Appendix B	Partner Support

**LIST OF ABBREVIATIONS**

NGB	National Governing Body
FIH	International Hockey Federation
LVH&TC	Lee Valley Hockey & Tennis Centre
EHF	European Hockey Federation
VIK	Value in kind
L&P	London and Partners
SE	Sport England
GLA	Greater London Authority
EH	England Hockey
LTA	Lawn Tennis Association
the Trust	Lee Valley Leisure Trust Ltd
LFA	Lottery Funding Agreement





## High Level Budget - Version 1 Draft 09.12.15

	WCT Bid Budget	Euros Actuals	WCT v 1 Budget	Variance To Euros	Variance
				£	%
<b>REVENUE</b>					
R1. Spectator Income	320,700	862,712	453,125	-409,587	-90
R2. Sponsorship & Advertising	171,500	443,154	334,500	-108,654	-32
R3. Merchandising & Licensing	0	5,000	4,000	-1,000	-25
R4. Broadcasting and Other Media	10,000	27,868	12,500	-15,368	-123
R5. Public & Partner Funding	1,052,500	1,056,163	955,000	-101,163	-11
R6. International Federation Funding	0	0	0	0	0
R7. Competitor Income	0	0	0	0	0
R8. Accommodation and Transport	7,500	143,733	11,250	-132,483	-1,178
R9. Other Income	36,000	199,451	36,000	-163,451	-454
<b>Total Income</b>	<b>1,598,200</b>	<b>2,738,081</b>	<b>1,806,375</b>	<b>-931,706</b>	

### EXPENDITURE

E1. LOC Personnel	249,500	326,049	316,500	-9,549	-3
E2. LOC Co-ordination	48,000	15,556	13,500	-2,056	-15
E3. IT & Telecommunications & Sports Pres	176,100	136,374	127,500	-8,874	-7
E4. Finance, Legal & Insurance	17,400	0	2,500	2,500	100
E5. Venue & Warm-up	180,000	515,381	450,000	-65,381	-15
E6. Doping Control	5,150	7,910	5,600	-2,310	-41
E7. Security	34,500	65,768	63,000	-22,768	-36
E8. Medical	14,000	15,301	13,600	-1,701	-13
E9. Accreditation	16,800	13,139	10,500	-2,639	-25
E10. Media & TV	42,000	266,379	26,000	-240,379	-925
E11. Ticketing	11,000	13,994	6,200	-7,794	-126
E12. Marketing, Advertising & PR	114,200	130,312	93,000	-37,312	-40
E13. Accommodation	100,500	208,195	107,775	-100,420	-93
E14. Transportation	62,250	62,607	67,750	5,143	8
E15. Protocol & Events	42,790	213,654	35,290	-178,364	-505
E16. Sponsor Servicing	0	203,916	100,760	-103,136	n/a
E17. Development Programmes	220,000	56,310	50,000	-8,310	-17
E18. International Federation Hosting Fees	140,000	226,306	140,000	-86,306	-62
E19. Other costs	0	102,930	76,000	-26,930	n/a
E20. Contingency	103,600	136,000	100,000	-36,000	-36
<b>Total Expenditure</b>	<b>1,577,790</b>	<b>2,738,081</b>	<b>1,805,495</b>	<b>-932,586</b>	
<b>Net Deficit/Surplus</b>	<b>20,410</b>	<b>0</b>	<b>880</b>	<b>880</b>	

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**Appendix B to Paper E/435/16**

Insert Event Bid Organisation England Hockey - 2016 WCT			Tennis Foundation Wheel Chair Masters	
QUALITY CRITERIONS	CRITERIA WEIGHT	POINTS WEIGHT	Q.Ass. SCORES	QUALITY SCORES
1. Financial	40%	40.0%	76.10	30.44
2. Community Engagement	30%	30.0%	69.50	20.85
3. Exposure	20%	20.0%	70.00	14.00
4. Strategic Value	10%	10.0%	70.00	7.00
		<b>QUALITY SCORE:</b>	<b>285.60</b>	<b>72.29</b>
<b>1. FINANCIAL (40%)</b>				
		<b>WEIGHT</b>		
Can the event bid demonstrate the ability to limit the overall Financial Risk to the Authority / Venue be demonstrated?		49%	8	
Can the bid demonstrate the ability to maximise the commerciality of the event - tickets, sponsorship, merchandise, concessions?		15%	7	
Has the bid demonstrated the opportunities to increased revenue through the venue (i.e. increased food and beverage sales and return paid visits to the venue)?		20%	8	
What is the profitability level?		8%	6	
Can the bid demonstrate the ability to increase stays at Authority accommodation portfolio including its third party partners (i.e. the Youth Hostel)?		8%	7	
		<b>SCORE:</b>	<b>76.1</b>	
<b>2. COMMUNITY ENGAGEMENT (30%)</b>				
		<b>WEIGHT</b>		
Can the bid demonstrate a focus on sports participation, particularly in hard to reach communities and people new to the sport?		25%	8	
Does the event deliver sports programmes that can demonstrate longevity and a real commitment to ensuring lasting participation?		25%	8	
Does the event demonstrate the ability to support the Authority in delivery of its Lottery Funding Agreement Targets (LFA's)?		25%	7	
Can the event provide opportunities for event volunteering, particularly in hard to reach communities and people not currently involved in the sport?		15%	8	
Can the event demonstrate a commitment to workforce development, mentoring and training, providing people new to the sport with opportunities to engage at a major event?		10%	8	
		<b>SCORE:</b>	<b>69.5</b>	
<b>3. EXPOSURE (20%)</b>				
		<b>WEIGHT</b>		
What is the ability for the event status to create a greater awareness of the Authority's venues and its facilities?		40%	7	
Has the broadcast plan and potential reach been identified?		25%	7	
Has a media plan been produced and the potential reach demonstrated?		25%	7	
What is the credibility of the event, is this an event with a history or creates an opportunity?		10%	7	
		<b>SCORE:</b>	<b>70.0</b>	
<b>4. STRATEGIC VALUE (10%)</b>				
		<b>WEIGHT</b>		
Can the event demonstrate that it is delivering a regional audience with a non riparian focus?		35%	7	
Can the event support the Authority in becoming a must visit destination, delivering a message that 'you can use these facilities'?		35%	7	
The event should demonstrate stakeholder engagement - opportunities to engage with current, new and potential stakeholders?		30%	7	
		<b>SCORE:</b>	<b>70.0</b>	

0 – No response				
1 – Response totally misses requirements				
2 – Grossly inadequate response only addresses some of the main requirements				
3 – Response misses some of the main requirements				
4 – Response touches on most of the main requirements but lacks detail				
5 – Response covers most main requirements in full detail				
6 – Response covers all main requirements but lacks full details				
7 – Response covers all main requirements in full detail				
8 – Response covers all main reqs in full detail with some additional relevant issues				
9 – Response covers all main requirements in full detail and includes all additional relevant related issues				
10 – Response could not be improved upon				