

Hosting the World Cup: A Feasibility Study

February 2007



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ISBN: 978-1-84532-181-9

Printed by The Stationery Office 02/07 352453

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EXECUTIVE SUMMARY

The Government is committed to ensuring that the UK is in a position to competitively bid for, and host, major sporting events and recognises that bids are strengthened if the Government is able to lend active support. The FIFA World Cup and the summer Olympic Games are global sporting events, broadcast in over 200 countries throughout the world. The UK will host the summer Olympic Games in London in 2012 and there is great interest in whether or not the UK should bid to host a future World Cup. Although not yet confirmed, it is thought that FIFA will allow the World Cup to return to Europe for the 2018 competition.

This study was commissioned by the Chancellor of the Exchequer and the Secretary of State for Culture, Media and Sport in order to assess the feasibility of the country hosting a future World Cup, and whether any bid would have a good chance of succeeding. Bidding for a World Cup is not, however a decision for Government, but for the relevant football authorities. Of the UK home nations, a bid from The Football Association (The FA), on behalf of England would be the most likely scenario. This study provides The FA with a firm base from which to conduct its own deliberations into whether or not a bid should be made. The study has found a number of positive indications on which to build:

- hosting the World Cup is likely to produce a positive economic impact as well as other associated intangible benefits;
- there are at least eleven existing football stadia in England that could potentially host World Cup matches – with Wembley National Stadium providing a centrepiece;
- there is a solid foundation of public support for England pursuing a bid for hosting a World Cup in 2018. This was established through a public opinion survey conducted prior to the Germany 2006 World Cup to inform this study;
- as a country with substantial numbers of overseas visitors the UK is well placed to handle the large influx of visitors that would accompany a World Cup competition; and
- the UK generally has an excellent record of bidding for, and winning, the opportunity to host major sporting events. There are many examples of best practice that The FA could therefore draw upon to increase the chances of success.

There will be a number of issues that require further, more detailed consideration before a decision to bid is made. The study has identified the following key issues that would have to be addressed:

- there are significant costs associated with hosting an event on the scale and scope of a World Cup. For example, security costs are likely to represent a substantial element of the operating costs and it is important to accurately assess the costs and financing options to inform any bid. The existing provision and planned improvements to England's transport infrastructure should enable the network to cope with extra demand during a World Cup, but it will be important that the increased operating costs are considered and financing is identified. Responsibility for all costs must be established before any bid is submitted. Emphasis should be put on maximising contributions from across the sporting and private sectors.

- of the eleven stadia identified as potentially suitable to host World Cup matches, only six are currently fully compliant with FIFA regulations governing capacity and pitch size. This means there will be a need for further investment to upgrade and adapt stadia. Consideration will also have to be given to extending the capacity of currently compliant venues to maximise ticket revenue;
- there is an uneven regional spread of existing stadia, with clusters in London, the North West and the North East. Consideration would need to be given to ensuring the benefits of hosting the World Cup are available to the maximum number of regions. There is potential to do this through imaginative use of training camps, fan bases, team hotel locations as well as cultural events associated with the competition;
- The FA would need to fully implement the recommendations from Lord Burns' Structural Review. This would enable the organisation to have the necessary corporate decision making processes and structures that will be required when taking forward a bid; and
- the public opinion survey conducted for this study suggests that there is more to do to allay concerns around football-related violence and the potential costs, which are both cited as reasons by those not supporting a bid.

It is important that a bid is professionally led and run. The FA will need to be able to set out a clear rationale and motivation for bidding and recognise that in order to maximise the chances of success there will be a need for a professional, adequately skilled bidding organisation, potentially at arms length from The FA. Finally, having a clear ambition for a legacy, both sporting and non-sporting, is highly important.

The Government recognises that no decision to bid for a future World Cup has yet been taken. The timing of a 2018 World Cup means that there is a reasonable time frame for such a decision to be taken. This study has identified the key aspects and elements that should inform a bid, and in particular, a number of issues that would need to be addressed. There are always challenges and difficulties surrounding bids for major sporting events, a World Cup bid is unlikely to be any different. This study provides a basis for further work by The FA to establish whether or not a bid to host a future World Cup should be made.

SUCCESSFUL BIDDING FOR MAJOR SPORTING EVENTS

Introduction

1.1 This chapter sets out the criteria that often underpin successful bids for major sporting events. It draws together the current guidance, issued by UK Sport, and case studies to illustrate what happens when a bid is properly managed and led.

1.2 Cities and countries bid to host global sporting events for a variety of reasons, other than the pure sporting spectacle:

- the **positive economic impact** of visitors during the event and potential for new tourism markets;
- as a catalyst for the **economic regeneration** of a city or region;
- the **intangible benefits** often associated with sporting events including increases in national pride and strengthened identity; and
- the opportunity to **showcase an emerging nation or city** – this has become especially relevant in recent years with the awarding of the Summer Olympics in 2008 to Beijing and the 2010 Football World Cup to South Africa.

UK hosting sporting events

1.3 The UK has a strong track record in bidding for, and hosting major sporting events. Every year, worldwide TV audiences watch the Wimbledon Lawn Tennis Championships, the British Formula One Grand Prix, the London Marathon and the British Golf Open Championships plus many others. In addition, the UK successfully hosted the UEFA European Football Championships in 1996, the Commonwealth Games in 2002 and has now won the opportunity to host the Olympic Games in London in 2012, making it the first city to host the Games for the third time in the modern Olympic Games era. **There is little doubt that the UK has the ability, capacity, and reputation to host large sporting events.**

Criteria for Successful Bids

1.4 Successful bids from a range of international sporting organisations have a number of common themes and criteria. Some of the key characteristics of a successful bid are:

- a professional “bid team” behind the detailed planning and work;
- a reasonable budget to support the bidding phase;
- high-level political support;
- strong leadership of the bid;
- a professional bid document with attention to detail and meticulous planning. This needs to be technically accurate in responding to the governing body’s requirements for bidders and include evidence of how these will be met; and
- properly costed plans alongside clear and specific Government guarantees where appropriate.

I.5 Case studies of successful bids can be useful when planning for future bids. Boxes 1.1 and 1.2 below illustrate successful bids from London for the 2012 Olympics and Germany's 2006 World Cup bid.

Box 1.1: Case Study - London 2012 Bid to Host the Olympic Games ^{1,2}

The bid for London 2012 was formally launched in 2003, just two years ahead of the decision on the venue of the 2012 games. This was the minimum amount of time required to develop and implement the detailed communications and strategy plan to win the necessary number of votes. Normally it is advisable to allow at least three years to avoid undue pressures. Four key factors were considered vital to the success of the London bid:

Leadership – The dedicated London 2012 bid team was led by Lord Coe. He used his political experience well, and his background and profile helped convince IOC members that London should get their vote. He had a good understanding of the various stakeholders and listened to their views to ensure that the bid was technically compliant and of very high quality.

Legacy - The bid highlighted that it was not just about hosting a successful and efficient Games, but also about how the Games would transform the social and sporting landscape of London, in addition to several temporary venues elsewhere in the UK. The bid was well presented to the evaluation commission and the key messages were carefully considered.

Public Relations Offensive - London fought a forceful public relations campaign, both on a national and international level. The bid was kept in the public eye with constant events and press releases and managed to gather enough public support to convince the IOC that Britain really wanted the Games. Securing influential ambassadors such as Nelson Mandela and David Beckham was also key to success.

Government Support - The full commitment of Government, including the Prime Minister, was critical to the bid's success. Within Government, strong leadership under one Secretary of State allowed coordination of all the necessary Government interests. Some of the existing government infrastructure, including the consular service at the Foreign and Commonwealth Office and Visit Britain were key partners in supporting the London 2012 bid.

¹ *Staging International Sporting Events*, Culture Media and Sport Committee, Third Report Session 2000-01, 2001

² *Why London won the Olympics*, Francis Keogh and Andrew Fraser, BBC News, 6 July 2005, available at <http://news.bbc.co.uk>

Box 1.2: Case Study – Germany’s bid to host the 2006 Football World Cup³

In the Summer of 2006 Germany hosted what was acknowledged to be a very successful World Cup. The country announced its intention to bid for the 2006 World Cup in 1993, forming a bidding committee that same year. From the mid 1990s onwards, individual German cities began to put themselves forward as potential host venues and the German football association (Deutscher Fussball-Bund, DFB) began to make grants to improve the football stadium landscape. By the time the formal bid was submitted to FIFA in 1998, eight major corporate supporters for the bid and full government backing had been secured. The bid was supported by 80 per cent of the population by 1997.

The DFB appointed a recognised and highly respected former player, Franz Beckenbauer, to lead the bid. Germany focused on ten key reasons as to why it should be chosen to host the World Cup, including the country’s strong football tradition, previous success in hosting and organising football events, its transport and stadium infrastructure, and the economic benefit the competition would bring to all in the country.

Although the DFB has good links to UEFA and FIFA, with the DFB president, Gerhard Mayer-Vorfelder a member of the UEFA executive committee, at the time of the bid Germany had no direct representation on the FIFA Executive.

On 6 July 2000 Germany was awarded the right to host the 2006 FIFA World Cup, ahead of South Africa, England, and Morocco. Perception in the press suggests that Beckenbauer played a crucial role in finally winning the bid for Germany, in addition to Germany’s football stadia, its security arrangements and the transport links.⁴

In retrospect, the World Cup 2006 is viewed as highly successful. In total, 3.2 million fans watched the 64 matches live in the 12 stadia, and more than 2 million overseas visitors came to Germany because of the World Cup. The most significant outcome is perhaps the boost to Germany’s national image that is deemed to have arisen from the hospitable and welcoming atmosphere during the tournament.

UK Sport’s principles of world class events

1.6 In addition to the case studies above, there are a number of examples of successful bids for other major sporting events to be hosted in the UK, including the Cricket Twenty20 World Championship in 2009 and the ICC Cricket World Cup in 2019. There have been a number of successful bids to host individual Olympic sporting events including the World Rowing Championships 2006, the European Indoor Athletics Championships 2007, the World Track Cycling Championships 2008 and the World Short Course Swimming Championships 2008. These bids have been supported by UK Sport’s World Class Events programme and in each case the bids have fully considered and addressed a number of key principles. Although none of these events is of quite the same dimension as the World Cup, these principles still apply. UK Sport have identified these as:

- economic feasibility;
- technical feasibility;

³ Official website of the 2006 FIFA World Cup, <http://fifaworldcup.yahoo.com>

⁴ e.g. *Shock and delight as Germany celebrates*, BBC News, 6 July 2000, <http://news.bbc.co.uk>

- a clear motivation for bidding;
- early identification of key partners; and
- a clear process for bidding.

Economic feasibility **1.7** The full costs of both bidding for and staging the event need to be considered, bearing in mind that staging costs may include both operational and capital costs. If new builds are required, there is a need to consider their future use. The governing body should fully understand the relevant International Federation guidelines for staging the event, and their cost implications to ensure that they can meet all requirements as a minimum, and always include a contingency to cover unforeseen expenditure. In addition to considering the costs, the potential sources and level of income should also be identified as well as a strategy for maximising these.

Technical feasibility **1.8** The venues to be used should be identified at an early stage. Venues will need to meet International Federation requirements and a full assessment of how the selected venues meet the criteria will need to be made. Should any upgrade or new building work be required, the bid must be clear about completion dates and costs.

Motivation for bidding **1.9** UK Sport emphasise that it is vital to have a clear and comprehensive rationale for a bid. This needs to be communicated consistently and regularly to the public and the international community. This can help ensure support among the public and media for a bid, both of which are vital to success.

Partnerships **1.10** The governing body should identify at an early stage any key partners and ensure they are fully consulted before the bid is finally submitted. All partners must be aware, from the onset, of what resources they are expected to contribute and to what extent they will receive any benefits.

Bidding process **1.11** The bid process, including the key timelines, the documentation and any presentations must be fully understood by all stakeholders. The bidding organisation should identify a strategy for winning the bid, including identifying key supporters, voters, decision makers, and other influential individuals or organisations at an early stage. It is considered vital to identify the skills and resources required to operate the bid, including key appointments that will make the bid credible and respectable. Early engagement with, and the support of ministers will add strength to the bid. Careful consideration and assessment of other potential bidders, including a comparison of the strengths and weaknesses of the respective bids should be undertaken.

1.12 Whilst adhering to these key principles will not guarantee the success of a bid, it should improve the potential for winning. By applying the UK Sport World Class Events programme, national governing bodies of sport have experienced an 80 per cent success rate for bids.

Government Support

1.13 It is now well established that bids for major sporting events are deemed to have more credibility and potential to succeed if they have the full backing and support from the government of the host nation. This support may take the form of financial guarantees, which are outlined in more detail in Chapter 3, but also include active involvement in promoting the bid, especially overseas.

1.14 The UK Government has generally provided strong support to bids for major sporting events. In the case of the English bid to host the 2006 World Cup, the

Government issued some financial guarantees, but also provided active political support through the then Minister for Sport, Tony Banks, who later became a dedicated Government envoy for the bid. The role of the UK's diplomatic service was also found to be key by those who ran the 2006 bid. During the Culture Media and Sport Select Committee hearing into the unsuccessful bid, Sir Bobby Charlton noted when asked about government support that, "this country politically could not have done more and I think we did as much as, if not more, than our competitors in this regard."⁵

1.15 For the 2012 London Olympics the Chancellor of the Exchequer has provided, on behalf of the UK Government, a detailed set of financial guarantees. The Secretary of State for Culture, Media and Sport and the Minister for Sport played a high profile and integral role in advocating the bid to external audiences. Interventions from the Prime Minister in the final days before the bid was decided in Singapore were also deemed to have been significant in securing important votes within the International Olympic Committee (IOC).

1.16 Should The Football Association decide to bid for a future World Cup, it is likely that the Government will be asked to extend similar levels of support in terms of ministerial and Prime Ministerial backing and time. It will therefore be important that any bid takes account of the contents of this study to secure the best chances of Government support.

1.17 As noted above, most successful bids have a number of common criteria and approaches, and adhering to them provides a good starting position for a bid. The final selection process, however, will always be an inherently uncertain one. International Sport Federations, like many other governing entities are highly political. It is the responsibility of the national governing body and the bidding team to ensure they are fully aware of the risks presented by the internal workings of the international governing body, and that they take appropriate action to mitigate these as far as possible.

Conclusion

1.18 The UK has consistently shown an ability, using the criteria above, to win the right to host major sporting events. There is no reason to suggest that a bid for the World Cup should not be based around these same criteria. When deciding whether or not to bid, The FA should give consideration to looking in depth at successful sporting bids and apply lessons learned by other sporting organisations or associations. The following chapters set out in more detail the specific issues that would need to be considered by The FA in deciding whether to bid for a future World Cup tournament.

⁵ *Staging International Sporting Events*, Culture, Media and Sport Committee, Third Report Session 2000-01, 2001.

2

KEY ELEMENTS OF A WORLD CUP BID

Introduction

2.1 Any bid for a major sporting event must be credible and deliverable. Sporting federations will judge a bid carefully on its technical strength as well as the underpinning and supporting arrangements. This chapter looks at some of the key components that would be required in any bid. This is not an exhaustive list of the factors that must be considered when bidding, but the following are of most relevance and interest to the Government in deciding whether to support a bid:

- economic impact;
- affordability and costs;
- infrastructure, including stadia and transport;
- security requirements;
- regional impact; and
- legacy.

Economic Impact

2.2 Many countries highlight substantial economic benefits, in addition to the unquantifiable intangible benefits, derived from hosting a major sporting event, particularly the Football World Cup or the Summer Olympics. It is a common public perception that hosting such events produces wider economic benefits. This is, for example, illustrated by the opinion survey undertaken to inform this study: of those who favoured the idea of England bidding to host the 2018 World Cup, 42 per cent did so because they felt hosting a World Cup would be good for the economy. Careful and realistic planning is key to ensuring that the full economic benefits from hosting a major sporting event are obtained.

2.3 UK Sport has published detailed guidance on how to measure the economic benefits associated with hosting a major sporting event. When assessing the benefits to the economy, particular attention should be given to the substitution and displacement effects that are sometimes ignored or underestimated. UK Sport advise that in calculating the economic benefit of a sporting event, it is important to consider only “the total amount of additional expenditure generated within a host city (or area) which could be directly attributable to the staging of a particular event”.⁶

2.4 When measuring the economic impact, a distinction must be made between increased consumer spending, mainly related to overseas visitors, and the longer-term growth in the regional or national economy that may follow the event. A study by Postbank from February 2005 stated that Germany could expect a positive effect on economic growth as a result of hosting the World Cup. This effect would be visible over the longer term, starting in the years prior to the competition and was expected to result from additional public sector investment, increased private consumption and additional exports or consumption by foreign nationals. Postbank estimated that the

⁶ *Measuring Success 2 - The Economic Impact of Major Sports Events*, UK Sport & The Sport Industry Research Centre, Sheffield Hallam University, 2004.

effect would be equivalent to around 0.5 per cent real terms growth over a number of years.⁷ However, opinion differs, and the German Central Bank stated in its August 2006 monthly report that following some positive stimulation of certain sectors of the economy, the “one-off effects in connection with the FIFA World Cup are now [...] disappearing”.⁸

Box 2.1: Case Study - Sydney Olympics 2000

The 2000 Sydney Olympic Games have been judged as a success, not only because of the smooth running and sporting successes, but also because of the perceived positive impact they have had on the city, territory and country's economy. According to PriceWaterhouse Coopers the total economic stimulus arising from the Sydney Olympic Games, including infrastructure investment, visitor spending and the Organising Committee's (SOCOG) revenues, is among the highest for recent Games.⁹

According to the 1999 economic impact study by Arthur Andersen, over the period of 1994-95 to 2005-06 the Sydney Olympics would generate \$6.5 million of extra economic activity in Australia, \$5.1 of which would occur in New South Wales (NSW). As a result of the Sydney Olympic Games Australian economic activity over the 12-year period from 1994-95 would increase by 0.12 per cent.¹⁰

Strategies for tourism and business were devised to maximise the generation of inward investment and tourism. PricewaterhouseCoopers estimate that the tourism impact of the games helped to achieve an additional 1.6 million overseas visitors to Australia, including over 110,000 games specific visitors. The business development programme included the showcasing of Australian innovative technologies, a business club for networking, a media strategy and centre to provide briefings on New South Wales and Australia.

Despite substantial investment from the New South Wales Government the games are widely judged not to have put a financial burden on the NSW government.

2.5 Any decision by the Football Association to bid to host a future World Cup should be underpinned by a realistic assessment of the wider economic benefits of hosting the event. These must be considered alongside the unquantifiable intangible benefits, such as a raised international profile, or increased national pride, that may arise from hosting a major sporting event. It is important to make sure that only the net additional benefits of hosting the event are considered, and that the possible displacement effect is taken into account, as regular economic activity is replaced by World Cup related demand. Although the overall net economic impact of a World Cup is uncertain, it is likely that certain sectors such as the hospitality industry or retail sales may experience a short-term boost. **Should The FA decide to bid for a future World Cup, it would be advisable to commission an independent study into the wider economic benefits of hosting the competition, which can be published alongside the detailed bid document.**

⁷ *Sonderthema: Fussballweltmeisterschaft 2006*, Postbank Research, February 2005, available at <http://www.postbank.de>

⁸ *Monthly Report August 2006 - Economic Conditions in Germany*, Deutsche Bundesbank, August 2006.

⁹ *Business and Economic benefits of the Sydney 2000 Olympic Games - a Collation of Evidence*, PricewaterhouseCoopers, 2002.

¹⁰ *Socio-Economic Impact of the Sydney 2000 Olympic Games* (online article), Jill Haynes, 2001

Affordability and Costs

2.6 There will be significant costs associated with hosting a World Cup. This is to be expected, given the nature, scope and scale of the tournament. The affordability and full costs of the event need to be properly considered, assessed and responsibility for meeting them needs to be properly allocated. It is a requirement for the Government to see a robust and fully costed budget and financing package, before offering support for a bid. There should not be any presumption that the Government will contribute to the costs, and all possible sources of funding must be thoroughly tested and explored when considering a bid. Bidding countries are required to provide FIFA with a detailed budget as part of their bid documents, but this generally focuses on the direct costs associated with hosting the competition. It will be important to also have assessed the total costs, including any indirect costs associated with the event arising for the Government.

2.7 With any bid for a major sporting event, indirect costs emerge that place burdens on government agencies and infrastructure, such as transportation, health care, policing and security. It is essential that those costs are fully identified and that all agencies at national, regional and local level are fully aware of the implications, and are able to cope with increased demand, should a bid be successful. It is vital that all parties are clear about which costs fall to whom and that sufficient resources are allocated. To achieve this it will be important that the FA explore the potential of private sponsors in supporting the tournament, and play a full role in enabling such partnerships.

Revenues 2.8 There are three potential sources of revenue that the organising association is dependent upon to meet the operating costs of a World Cup. There are limited opportunities to maximise these revenue streams as at least two are dependent on FIFA's agreement. The main source of revenue is ticket sales, supplemented by commercial activities and subsidies from FIFA. For Germany 2006, the organising committee had allowed a €430 million (equivalent to around £290 million) budget for the staging of the event. The German Football Association has announced that a profit before tax of €135 million (equivalent to around £91 million) had been made from staging the 2006 competition. Net of tax and after repaying the FIFA contribution of €40.8 million, the €56.6 million (equivalent to around £38 million) net profit will be shared between the German Football Association (DFB) and the German Football league (DFL)¹¹. However, as indicated below, the operating costs and therefore operating profit exclude any major capital infrastructure costs associated with the tournament. A high level analysis of the potential revenue sources and operating costs for a World Cup follows:

- **Ticket Sales** – assuming that current FIFA arrangements remain in place, the host country is entitled to the gross receipts of all ticket sales. The maximum revenue from this source will be determined by the ticket prices, the number of matches to be played, the stadium capacity available and the demand for tickets. For Germany 2006, 3.2 million tickets were made available for sale and it is estimated that ticket sales generated around half of the total operating budget.
- **Commercial Rights and Value In Kind** – the host country may derive an income from contracts associated with the commercial rights of the tournament. Benefits in kind are also available. The exact nature of the

¹¹ *WM auch wirtschaftlich ein Erfolg*, Frankfurter Allgemeine Zeitung, 14 September 2006, available at <http://www.faz.net>

activity permissible is determined by FIFA. Assessing the future value of these benefits is unlikely to prove accurate at this stage.

- **Income from FIFA** – The international body has made financial contributions to previous host countries to help meet the costs of staging the competition. The amount of any contribution is a matter of negotiation between FIFA and the organising association. FIFA derives 90 per cent of its income from the sale of broadcast and commercial rights. Future income is therefore dependent upon periodic re-sale of these rights. Given the growing worldwide popularity of football, FIFA's income is unlikely to fall substantially over the next decade. It is a reasonable assumption that FIFA might make a contribution to any future World Cup hosted by England in line with that it has made to Germany, £110m in 2006 prices.

Costs 2.9 There will be a number of direct costs associated with hosting a World Cup tournament that would fall to the host football association or organising committee.

Stadium Infrastructure Costs 2.10 Stadium infrastructure is generally the largest cost directly associated with hosting the World Cup competition. More detail of the infrastructure requirement for a World Cup is set out below in this chapter. A realistic estimate of the costs of upgrading the existing stock of English stadia would require an in-depth assessment of the existing landscape and future requirements. In Germany, average total investment into the eight participating stadia that had major work undertaken amounted to around €70 million each (equivalent to around £48 million).¹² **The responsibility for investment in stadia in England would have to be established before a bid was made. All funding sources, including private investment would need to be explored, but the presumption is that primary responsibility will lie with the clubs and The FA. The Government does not routinely invest in club grounds and the long-term beneficiaries from any investment would be the resident football clubs.**

Operating Costs 2.11 FIFA requires the host football association to comply with highly detailed regulations and specifications with regard to the staging and operation of the tournament. The operating costs therefore cover a wide range of activities, including; security costs, provision of training facilities, transportation and accommodation for competitors and officials, opening and closing ceremonies, insurance, marketing, promotion, ticketing and other administrative costs. For the 2006 World Cup in Germany, these costs amounted to €430 million (equivalent to around £290 million) and South Africa's bid for the 2010 World Cup indicated operating costs of US\$364 million (equivalent to around £191 million)¹³.

Operating Profits 2.12 In general, bidding and host nations estimate operating costs to either equal the levels of revenue or fall slightly below in order to generate an operating profit. For example, South Africa, who will host the competition in 2010, have estimated an operating profit of around £36 million or 12 per cent of the total budget. However, FIFA noted in their inspection report that the underlying prediction of revenues from ticket sales may be hard to reach, and that the organisers had not budgeted for any contributions from FIFA¹⁴. As noted above, Germany is indicating that profits equivalent to around 30 per cent of the operating costs were made from 2006. However, detailed

¹² Official website of the 2006 FIFA world Cup, <http://fifaworldcup.yahoo.com>

¹³ *Inspection Group Report for the 2010 FIFA World Cup*, FIFA, 2004, available at www.fifa.com

¹⁴ *ibid.*

accounts are not yet available to further interrogate and some caution must be applied to the figures currently available.

2.13 There is some pressure on bidding nations to demonstrate that operating profits are achievable as this is often one of the criteria used by the international sporting federation to demonstrate whether or not an event has been profitable. This is the case for both the World Cup and the Olympics. For the international sporting federations, such as the IOC and FIFA, this is integral to ensuring that other nations are attracted to bidding to host future competitions. In the case of football, operating profits are distributed in line with agreements made with FIFA. Around a third of the operating profits from Germany 2006 will revert to FIFA whilst the remainder will be distributed in line with proposals by the organising committee.

2.14 The operating profits can exclude or overlook the substantial capital investment often made in support of an event, which can have the effect of masking the true costs and profits. It is important that bidding associations do not overestimate profits or put forward bids that include unrealistic estimates of profits. A cautious estimate would, for example, entail the organising committee forecasting a small operating profit - possibly between 5 per cent and 10 per cent of the total operating budget.

2.15 Should The Football Association decide to bid, the Government would expect to see a robust and realistic assessment of the total costs and revenues of hosting a World Cup. Caution needs to be applied when estimating operating profits. The Government must be fully appraised of any costs that fall directly to the host association and which assume any levels of public investment or subsidy.

Government Revenues and Costs

Government Revenues **2.16** As indicated above, the Government (both central and local) is likely to derive some benefit from hosting a World Cup through the increased consumer spending directly related to the event. Around two million foreign people visited Germany to follow the World Cup matches.¹⁵ Were England to host a World Cup, the number of overseas visitors over the short period of four weeks may be of a similar dimension. In evaluating a series of smaller sporting events, UK Sport found that on average, competitors, officials, media personnel and spectators spent £280 in total, per day, attending events¹⁶.

Visitor numbers and expenditure **2.17** Euro 96 is estimated to have attracted between 250,000 and 280,000 additional foreign visitors to the UK and PKF Accountants and business advisors estimate that overseas supporters spent around £120m in the eight host cities and surrounding area. Including the impact of spending by domestic visitors, the UK increased its net earnings from travel and tourism in the second quarter of 1996 by 3 per cent.¹⁷ In June 1996, when the competition took place, expenditure by overseas visitors to the UK was £210 million higher than in the same month the previous year, and £120 and £90 million higher respectively than in May and July 1996.¹⁸

¹⁵ *FIFA World Cup changes tourist demand in German cities*, European Tour Operators Association, 2006, www.etoa.org

¹⁶ *Measuring Success 2 - The Economic Impact of Major Sports Events*, UK Sport & The Sport Industry Research Centre, Sheffield Hallam University, 2004

¹⁷ *Euro 2000: The after mat(c)h - The impact of major sporting events on hotel performance and the economy*, PKF Accountants and Business Advisors, 2000

¹⁸ Office of National Statistics, spending by overseas residents in the UK, monthly series, derived from the International Passenger Survey, seasonally adjusted data, in current prices.

2.18 It is not possible to make direct inferences from the experience of previous World Cups and other football tournaments, for a future World Cup. An independent and robust economic impact analysis would also need to include careful estimates of potential visitor numbers. As stated above, such a study should be considered before any decision by The FA to put forward a bid to host a future World Cup.

Government Costs 2.19 In addition to the direct costs faced by the host football association, there are often additional public expenditure consequences of hosting a major sporting event. For many countries, large amounts of public funds are invested in building and upgrading stadia to comply with the requirements of hosting a major event and in order to secure the competition.

2.20 This is unlikely to be the case for England. Whilst it is recognised that there may be some adjustments and upgrading to existing infrastructure required, this is unlikely to be substantial and there should be no requirement for additional, newly built stadia. Central Government does not provide capital grants to professional football clubs to help with the cost of building or upgrading stadia. It is worth noting that the long-term beneficiaries of stadium upgrades are the clubs themselves. Increased capacity and improved facilities provide greater revenue-raising potential beyond the period of a World Cup competition.

2.21 Costs for government could arise in the area of additional investment into transport infrastructure, additional supply of transport facilities to cope with extra demand during the tournament and additional security costs related to the tournament (where these will not be met by the football association or organising committee). The magnitude of these items is dependent on the infrastructure and security situation in the run-up to the tournament and is hard to predict at this stage. **However, the Government will expect any bid to include a robust and realistic assessment of all the likely costs that will arise from hosting a World Cup.**

Government Guarantees 2.22 The government guarantees required by FIFA (see box 2.2) cover a number of areas, many of which have a financial dimension, if not a direct cost for Government. The guarantees required are now reasonably standard for all major sporting competitions, including the Olympics, and the Government has provided these for the London 2012 Games.

2.23 Some of the guarantees required from governments by FIFA relate specifically to the tax system. European Commission legislation and provisions exist to give relief from customs duty and tax on temporary importation. These have been used to provide relief in respect of previous events and could be applied to this event without any real difficulty.

2.24 Exemptions from other taxes would require legislation. More detail on the requirements and organisation of the event would be needed to identify the likely costs to the Exchequer. **In the event of a bid, the Government will consider the specific guarantees required by FIFA at that time, whilst being mindful of the importance the guarantees hold in securing a bid.**

Box 2.2: List of FIFA's requirements for government guarantees (abridged)¹⁹

1. **Entry and exit permits** are to be issued to all officials related to FIFA and national organisations, and to media representatives and visitors.
 2. **Work permits** (if required by local law) are to be provided to all officials and staff related to FIFA and finalist teams, and media representatives.
 3. **Customs duty and taxes** are not to be raised for the temporary import and subsequent export of goods, supplies, personal belongings, gifts and equipment of players, officials and the media.
 4. **Security** shall be provided by the host country, including at airports, city centres, anti-terrorist activities etc., and a guarantee of safety shall also apply to the FIFA delegation, media representatives and spectators.
 5. Government shall guarantee unrestricted **import and export of all foreign currencies** as well as the exchange and re-conversion of these currencies into US dollars or Swiss Francs.
 6. The Government shall guarantee the installation of a **telecommunications network**.
 7. The host country shall assist the organising association in setting up an **international broadcast centre** and a **media centre**.
 8. The national **transport network** shall provide the transport necessary for the technical organisation of a FIFA World Cup.
 9. A **hotel pricing policy** is required, that freezes hotel prices for officials related to FIFA and accredited media at the level of the beginning of the year that the World Cup competition will be held.
 10. The host country shall **not exact any kind of taxes, charges, duties** or Government levies from FIFA or the team delegations.
 11. **Commissions on tickets** shall not exceed 10 per cent of the face value of the ticket.
 12. The host country shall guarantee that all **national anthems and flags** will be provided at matches.
- The host country shall guarantee the availability of comprehensive **medical care** including an emergency service for every participant.

Security Costs 2.25 Security is the responsibility of the organising committee of a sporting event. No additional funding was made available for the security costs of Euro 96. The security landscape has dramatically changed over the last decade and the costs of policing, counter terrorist activity and other security requirements will form a substantial element of the operating cost of hosting any World Cup tournament.

Safety at matches 2.26 Attempting to analyse potential security costs is extremely difficult given that a future World Cup could be a minimum of 11 years away. Germany has not yet published the full security costs from the 2006 World Cup, although there have been

¹⁹ FIFA's list of requirements for the organising national association (as for the 2006 FIFA World Cup), www.fifa.com

estimates that they will run into hundreds of millions of Euros. The current arrangements for meeting the security costs for international football matches within the UK are set out below:

- crowd management and safety inside the stadium is the responsibility of the organiser (generally the respective football association) who meet the cost of these activities;
- the organisers meet the cost of policing inside the stadium;
- the cost of policing outside the stadium is met by the relevant police authority, though the organiser will often provide a contribution, in order to secure the event at that particular venue; and
- the cost to a police authority of hosting an international match currently varies depending on the level of risk involved.

2.27 In view of the need to provide reassurance to visitors and the world’s media, the policing and security costs for all matches are likely to be significant. A proportion of these would have to be met by the organising association. This does not include the in-stadium costs, all of which would need to be met by the organising association.

Cost of providing general security

2.28 However, match-related activity does not represent the full security cost. FIFA requirements for the 2006 World Cup asked for a guarantee of “general safety and personal protection”, “especially at airports, hotels, stadia, training grounds and media centres”, and for “FIFA, media and spectators during, before and after matches, including when travelling around the country.”²⁰ In practice, this covers a range of functions, including:

- high profile policing in venue cities throughout the tournament as supporters from different nations arrive and depart and high profile policing in all other town centres on match days in order to deter and deal with any disorder associated with the tournament;
- police protection for participating teams and their training grounds and hotels;
- policing the transport network;
- countering the threat of a terrorist attack and providing additional protection for participating teams felt to be at particular risk;
- funding the visit and participation of police delegations from all participating countries (in accordance with EU regulations). The size of the national delegations may vary from between 10 and 100 individuals;
- policing World Cup related cultural events;
- undertaking a major policing operation at each UK entry point designed to deny access to persons believed to pose a risk of public disorder or criminality;
- countering the increased risk of illegal entry into the country often associated with major sporting events; and

²⁰ FIFA’s list of requirements for the organising national association (as for the 2006 FIFA World Cup), available at www.fifa.com

- countering the potential for increases in low-level criminality which can be related to large sporting events including football tournaments.

2.29 In the past, cost estimates for security have been found to be on the low side, often because the additional costs listed above are not factored in, and the security requirements have instead focused on the direct costs associated with the tournament matches. **In order for the Government to support any bid the full security related costs need to be identified and documented. Early co-operation between the relevant governmental, law enforcement and security authorities and The FA will need to be in place during the bidding process.**

Infrastructure

2.30 Before awarding the right to host the World Cup competition, FIFA will require the bidding nations to provide highly detailed information regarding the stadia that are to be used. Box 2.3 below sets out FIFA's specific, technical requirements for a World Cup.

Box 2.3: Likely FIFA infrastructure technical requirements for a World Cup (abridged)²¹

The following stadium infrastructure specifications are likely to be required in a future World Cup bid:

- eight to twelve stadia are required;
- prospective stadia must have the following capacity:
 - for group matches, the round of 16 and the quarter finals (excluding media and VIPs) – a minimum of 40,000 people; and
 - for the opening match, semi-finals and final (excluding media and VIPs) – a minimum of 60,000 people;
- prospective stadia must be seated with no perimeter fences;
- there must be a natural turf pitch measuring at least 105x68 metres, with a further 7.5 metres between the pitch and spectators behind each goal and 6 metres around the side touchlines;
- a minimum of 10 technical and administrative rooms must be available; and
- a choice of training grounds, in good condition, close to competitor's living quarters must be available.

2.31 In order to meet the FIFA requirements but also to maximise the revenue available to the host organisation, the capacity of stadia is extremely important. For the 2006 World Cup the average capacity was 50,000, allowing a total of 3.2m tickets to be sold. In order to increase capacity Germany underwent a revision of its stadium landscape.

²¹ based on FIFA's list of requirements for the organising national association (as for the 2006 FIFA World Cup), available at www.fifa.com

Infrastructure work to German stadia **2.32** In Germany, the DFB, the German football association, donated sums of around 1 million Deutschmarks (equivalent to around £350,000²²) for each international game hosted by those cities which had stadia meeting the World Cup criteria in the run up to the bid. The money was designed to go towards preparation of the stadia for the World Cup.

2.33 Most of the 12 stadia used in the Germany 2006 World Cup matches underwent specific refurbishment, modernisation and occasionally major reconstruction. Work began in the late 1990s, and on some stadia it was undertaken in advance of the bid being formally submitted. In total, three stadia were newly built, those in Gelsenkirchen, Frankfurt and Munich, and the Olympiastadion in Berlin has been newly constructed within the walls of the previous stadium. The total costs of this work amounted to around €1.4 billion. These were met by a variety of sources, including contributions from stadium owners, cities, regional and national governments and private sponsors. While football stadia in Germany are often owned by the country or municipality where they are located²³, in England, the vast majority of stadia is owned by the football club in residence at the ground, suggesting that they should also be the primary funders of any refurbishment work.

2.34 A survey of English football grounds has found that England has a total of six stadia that currently meet the full FIFA requirements for football stadia in terms of seated capacity and pitch size. This is two below the minimum number of stadia required and half of the maximum that may be used, although this does not include planned new stadia that would, if they go ahead, give England 10 compliant stadia in total. The need to have as many compliant stadia available as possible and the experience of Germany, where the maximum of twelve stadia were used, suggests that clubs would need to be prepared to make commitments to adjust their stadia if they wished to host a World Cup match.

2.35 Further assessment of those stadia that may be on the lower limit of required capacity, i.e. 40,000 seats, will be required to ensure that capacity requirements can still be achieved once other adjustments have been made. For example, FIFA requirements may mean extending the pitch and space around the playing surface, so seating capacity would reduce (see Box 2.3). If The FA decided to bid they would be responsible for deciding which stadia should be used for the competition, and also for negotiating, in advance, contracts for the stadia that will allow FIFA to use them without charge.

England's stadium landscape in 2018 **2.36** As noted throughout this study, the earliest conceivable date that England could host a World Cup, given the current FIFA rotation policy, is 2018. The table below illustrates those FA Premier League and Football League Championship Clubs (2006/07 season) that currently meet one or more of the FIFA technical requirements. Of the twenty FA Premier League clubs eight have a ground crowd capacity in excess of 40,000, and of these two have a capacity in excess of 60,000. Two of the current Football League grounds also have a capacity of more than 40,000 people. With the completion of Wembley Stadium, there are three English grounds with a capacity of 60,000 or more.

²² Using the Deutschmark to Euro conversion rate and the current Euro to £ sterling exchange rate.

²³ Official website of the 2006 FIFA World Cup, <http://fifaworldcup.yahoo.com>

Table 2.1: FA Premier and Football League Championship Grounds wholly or partially compliant with current FIFA technical requirements

Stadium (by 2018)	Club	Location	Seated Capacity	Pitch Size m ²	Year*
Wembley National Stadium		North West London	90,000	105 x 68	2006-07
Old Trafford	Manchester United FC	North West England	75,000	105 x 68	2006
Emirates Stadium	Arsenal FC	North London	60,000	105 x 68	2006
St James' Park	Newcastle FC	North East England	52,000	105 x 68	2000
City of Manchester Stadium	Manchester City FC	North West England	48,500	105 x 68	2001
Stadium of Light	Sunderland FC	North East England	48,300	103.5 x 67.5	1997
Anfield	Liverpool FC	North West England	45,500	101 x 68	1994
Villa Park	Aston Villa FC	Midlands	42,500	105 x 68	2001
Stamford Bridge	Chelsea FC	South West London	42,400	103 x 67	2001
Goodison Park	Everton FC	North West England	40,500	100.58 x 68	1994
Elland Road	Leeds United FC	Northern England	40,000	105 x 65	1994

* Date of construction or latest refurbishment

Source: FA Premier League Handbook Club Directory, The FA.

2.37 Since completion of the Emirates stadium, six of the current FA Premier League clubs are playing in stadia built since 1995. Of the remaining 14 clubs, it is understood that 11 have plans for redevelopment or possibly relocation. However, it is too early to provide any precise detail around these plans, particularly relating to spectator capacity.

Wembley Stadium 2.38 Wembley will provide a state of the art venue designed primarily for football, rugby and music events, but will also be capable of hosting world-class athletic events. When completed it will be deemed the highest quality stadium in the world, larger than the Stade de France and built to the highest specifications and using the latest technology. It is anticipated that the stadium will accommodate around 1.5 million football and rugby fans, at around 20 events a year, offering 90,000 seats, all of which are under cover and have unobstructed views. Wembley Stadium would be an important asset for an English bid and is likely to continue to meet or exceed FIFA requirements. With its large capacity, it exceeds the current FIFA requirements for stadia used for opening matches, semi-finals and finals, which need a capacity of 60,000 seats.

2.39 Regardless of whether The FA decide to bid to host the World Cup in 2018, it is anticipated that there will be further general upgrading to stadia in the coming years, either in terms of redevelopment or relocation. But across the stadium landscape it is clear that there is no room for complacency, and the state and requirements of stadia

by 2018 as well as the cost implications would need to be carefully considered before any bid. The FA needs to identify at an early stage the capital investment required to bring the minimum number of stadia up to and beyond the minimum seating requirements to host World Cup games. The regional spread of grounds should also be considered in order to maximise the opportunities across England of hosting the event.

Security Requirements

2.40 An event of the magnitude and profile of the World Cup will present major security challenges. As set out above, costs associated with providing the minimum levels of safety required for the World Cup are more than likely to run into the hundreds of millions. In addition to assessing the costs there is a need for the government to offer guarantees that the event can be held in a trouble-free, safe environment. One of the key security issues will be ensuring that football-related criminality is prevented and controlled.

Recent football security measures

2.41 There was general praise for the UK after England successfully hosted the Euro 96 tournament. However, in the decades leading up to and including the Euro 2000 tournament in Belgium and the Netherlands, English fans were involved in serious football disorder, which led to many thousands of arrests and expulsions, national shame and the threat of exclusion of English football from European competitions.

2.42 Following Euro 2000, a Home Office-led, comprehensive multi-agency strategy was adopted to tackle and prevent football violence. This strategy included two main elements: a review to understand the dynamics of English football disorder, to ensure better cooperation between all agencies such as the police, football authorities, a wide range of academics, supporter groups and individuals; and new legislation building on the existing provisions of the Football Spectators Act (1989). The measures of the Football (Disorder) Act 2000 were designed to:

- demonstrate that the UK government and police were taking effective steps to tackle football-related criminality and to prevent English troublemakers from travelling to matches overseas;
- prevent English teams from being banned from international competitions;
- give the police and courts extensive powers to remove from the scene supporters with a record of violence and disorder; and
- ensure that hooligans misbehaving overseas could no longer escape the consequences for their actions, but could be punished while abroad or on their return.

2.43 The measures introduced since 2000 are judged to have made a major impact, and there has been no significant football disorder caused by English supporters overseas since 2000. Ahead of the 2006 World Cup, Paul Goggins, Minister for Football Policing at the Home Office confirmed that this success has been acknowledged internationally, stating that: "...our ... international partners commend our strategy of tough banning order legislation and supporter involvement. This was reassuring both at home and abroad, particularly for the German authorities in the run up to this year's World Cup."

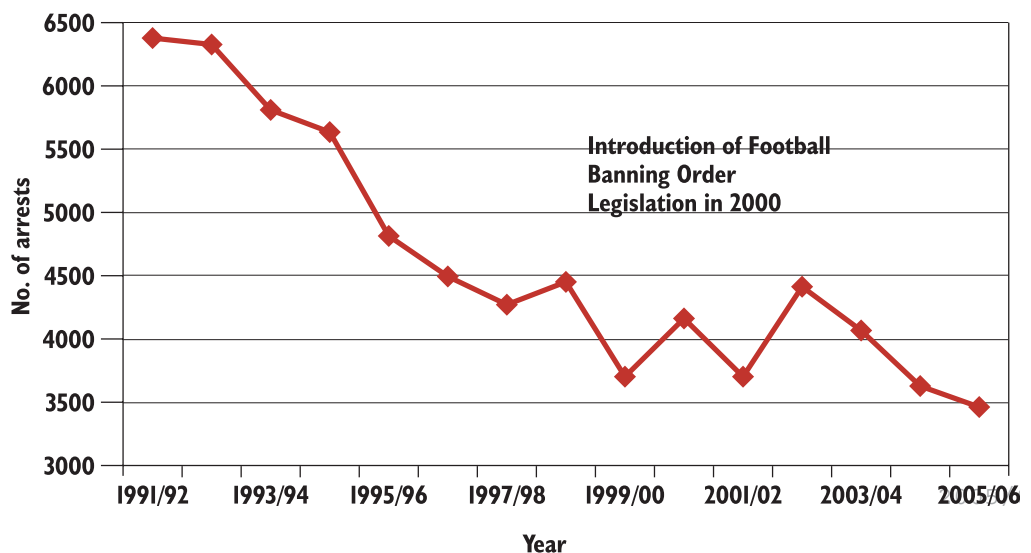
Decrease in football-related violence

2.44 Following on from the success of the 2002 World Cup in Japan and South Korea and Euro 2004 in Portugal in keeping down disorder and violence, the 2006 World Cup provided the greatest possible challenge to the new football disorder strategy.

2.45 In the event, the World Cup proved to be a great success off the field. There has been a substantial increase in football banning orders: preventing known troublemakers from travelling to matches at home and abroad from only about 100 before Euro 2000, to 3,583 at the start of the 2006 World Cup. This increased to 3,841 during the tournament. Known troublemakers were prevented from travelling and there were no significant incidents of orchestrated or spontaneous football violence involving England fans. There was some drunken anti-social and offensive behaviour by a very small number of fans but this did not prevent the more than 300,000 England fans who travelled to Germany being described by the organising committee as the best fans in the tournament. Such a plaudit would have been unthinkable five years ago.

2.46 In Germany, just 21 England fans were arrested for football-related violence or disorder. As in Portugal, the perceived reduced threat of violence also led to a more diverse crowd of English supporters and, importantly, a high level of self-policing by the fans. This reflects the position in domestic English football where the number of arrests has declined annually by around 10 per cent since the new strategy was introduced. The chart below illustrates that there was an average of just one arrest associated with each match last season. The level of risk has decreased to the extent that 43 per cent of all English and Welsh league and cup matches take place with no police in attendance.

Chart 2.1: Football related arrests in England



Source: Home Office.
 *all League, Cup and international matches involving English and Welsh club and international teams.

2.47 Specific security arrangements for a World Cup will need to learn lessons from past experiences and draw on the achievements and weaknesses of Germany 2006. Hosting the competition in Germany posed some specific challenges. In many respects, the geographical position of the UK, with fixed points of entry, makes England better

placed to minimise security and public order risks than Germany, which has land borders with five of the countries involved in the tournament.

2.48 The public opinion survey conducted for this study found that 19 per cent of those who were against England bidding to host a World Cup, and 24 per cent of those not confident that England had the capacity to host such an event, based their opinion on concerns about hooliganism. Although this concern may be unfounded - there have been no significant hooligan problems at any European or World Cup finals since Euro 2000 – the earliest possible preparation involving all stakeholders in the host nation and their counterparts in the participating and transit nations will be essential to minimise the risk of tournament-related criminality. The Home Office and police would need to start work on co-ordinating national and international security preparations at a very early stage and The FA would need to obtain a Government guarantee at an early stage of the bidding process regarding the delivery of a safe and secure tournament. It is the hosting association’s responsibility to ensure safety within the stadia during matches.

Transport infrastructure

2.49 Another factor of key importance for a country’s capacity to host a successful World Cup is transport infrastructure. This is also a requirement demanded by FIFA (see Box 2.2). Good transport connections to hosting cities and stadia, to and from training grounds and team hotels across the country, and within host cities are deemed to have made an important contribution to the success of the 2006 World Cup in Germany.

2.50 Hosting a World Cup would increase the demand for travel both to England from abroad and within England. More people would be travelling between cities and also to access public places both within and outside host cities which may display matches on big screens. The recently published Eddington Transport Study²⁴ recommends that Government’s future strategic priorities for transport policy should be growing and congested cities, key inter-urban corridors and key international gateways - all of which will be crucial for travel during a World Cup. The improvements to the UK’s transport network which the Government is making or has already planned – including increased investment where justified, greater use of demand management, application of new technology and improved governance structures – will all help facilitate the types of journeys that would need to be made during the World Cup.

International transport connections

2.51 England has world-class international connections, allowing easy access for supporters and officials travelling to England from around the world. Building on its existing international connections, by 2018 London and the South East will have benefited from additional international airport capacity and the high-speed Channel Tunnel Rail Link will allow fast and direct rail access from Europe. The other likely stadium clusters around the North West and the North East are already well served by international airports and it is expected that capacity in all of these areas will have increased further by 2018. The Channel Tunnel and England’s numerous ferry ports will continue to allow convenient access from Europe for those who wish to travel by car or other means.

Interurban transport

2.52 For travel within the host nation, England’s interurban transport network is already mature and well developed and England has the natural advantage of its major cities being close together for a country of its size. All of the large cities in England,

²⁴ *Transport’s role in sustaining UK’s productivity and competitiveness: The case for action*, Sir Rod Eddington, Department for Transport & HM Treasury, December 2006.

which may be expected to host matches during the World Cup, are connected by the strategic road and rail networks. Onward rail connections are particularly good from London to other major cities, this is important given the likely use of London as a base by many international supporters. The upgraded West Coast Mainline will allow improved journey times between London and the West Midlands and onwards to Manchester.

Local transport arrangements

2.53 Fans and officials will need to travel around host cities and gain access to the stadium. London's transport network will have benefited from significant investment related to the Olympics and will be well placed to handle a high level of travel demand. Local transport networks in many of the other cities expected to host matches, will have benefited from packages being developed under the Transport Innovation Fund. Manchester, Birmingham and Tyne and Wear have all already received funding to develop proposals for improvements which would be in place by 2018.

2.54 The FA would need to discuss the detailed arrangements for local transport with local authorities and the Highways Agency in the run up to the launch of a bid. This may include arrangements for free local transport in host cities for match ticket holders, similar to those during the German World Cup in 2006. Existing systems to manage exceptional local demand for transport associated with major events, including transport security considerations, have proved effective in the past. **Hosting a World Cup would lead to an increased demand on England's transport infrastructure. The package of improvements already made or planned should allow journeys to be made quickly, safely and comfortably by all visitors, although further upgrades may be required. In the run-up to a bid, The FA would need to liaise with local authorities to make detailed plans for the transport arrangements around match venues.**

Regional Impact

2.55 On the assumption that joint bids would not be welcomed by FIFA, England has the most realistic prospect amongst the UK home nations of hosting a World Cup due to the extent of the footballing infrastructure as well as a track record including a World Cup in 1966 and the Euro 96 competition. While there is some regional spread of the compliant grounds within England, there are three main clusters – London, the North West and the North East. This stadium landscape implies a bias for London and the North of England whilst other regions, such as the South West or East of England are less likely to achieve the direct economic benefits associated with hosting World Cup matches in the area.

2.56 The public opinion survey conducted to inform this study (see Chapter 4 for details of findings) showed that support for an English bid varies across the regions. Support is highest, with around two thirds in favour, in London, and lowest in the East Midlands and East of England, where around half of those surveyed were in favour of a bid. However, there does not seem to be any direct correlation between support and the respondent's residence in a region that is likely to host matches and could therefore anticipate direct economic benefits.

2.57 There are several aspects to considering benefits and their regional dimension. Firstly, there are the potential economic benefits arising as a direct result of a match being hosted in a particular location, i.e. the increased activity and demand in a number of sectors of the local economy. These could range from greater activity and employment in the construction sector should any infrastructure work be carried out on stadia ahead of the World Cup, to increased demand and employment in the tourism and hospitality sector during the tournament. While these benefits are likely to

arise mainly in the vicinity of host cities and places where teams and FIFA officials are accommodated, benefits may spread further afield.

2.58 The location of existing stadia would need to be taken into consideration as it may pose a challenge to an optimal spread of benefits throughout the nation. The hotel and training infrastructure used by teams will need to be within easy reach of the stadia but may be spread further across the country, provided good transport links are available. The benefits to the tourist industry may also extend beyond the regions directly affected by the World Cup, as fans may arrive early or stay on in England beyond the match day and may visit other regions.

2.59 Planning for a World Cup would need to include an assessment of the likely economic and social legacy in the regions. As the bodies responsible for drawing up and delivering Regional Economic Strategies, RDAs should be consulted on the best way of maximising the direct and indirect effects of such a tournament, which could include increased tourism, employment business opportunities and physical regeneration. **In order to achieve a fairer spread of benefits across the country, The FA would need to engage with the Regional Development Agencies and other sub-national delivery agencies such as Local Authorities, Government Offices, and Regional Assemblies in order to develop a strategy for ensuring that benefits are shared as widely as possible. It should also be considered whether lessons can be learnt from the London 2012 Olympics, where a strategy has been put into place to promote the regional impact of a London-based event.**

Hotel Pricing Policy

2.60 As part of the guarantees required by FIFA there is likely to be a requirement for hotel prices to be frozen at the level they are at the beginning of the World Cup year. As a minimum this would be applied to the hotels used by the FIFA delegation (including official, guests and teams), commercial affiliates and accredited media during the World Cup. This requirement caused some problems for England's bid for the 2006 World Cup. According to the Culture, Media and Sport select committee, FIFA had produced contracts to be signed by individual hotels, six years ahead of the date of the World Cup in question. In the end, this guarantee was only achieved when government intervened and liaised with the hotel community.²⁵ Agreeing such a pricing policy with hotels across the country would probably pose a similar challenge in the future and it would need to be considered how this could be delivered more efficiently, for example whether the Regional Development Agencies could play a role in brokering contracts with regional hotels.

Legacy

2.61 A clear legacy will need to be planned for as an integral part of a World Cup bid. Elements of a successful legacy could be a longer term impact on the tourism industry. The event could be used to boost the host countries' profile during the competition (see case study on the Sydney Olympics in Box 2.1). Communities could benefit from new or refurbished facilities created for the tournament. Hosting a World Cup is unlikely to lead to major regeneration programmes, unlike the London 2012 Olympics, but opportunities to maximise the non-sporting legacy should be identified at an early stage. The Commonwealth Games 2002 in Manchester (see Box 2.4) provide a good example of how this was achieved.

²⁵ Culture, Media and Sport Committee, Third Report, Staging International Sporting Events, Session 2000-01

2.62 Hosting a World Cup is an opportunity to raise awareness of what sport has to offer and to create a lasting legacy of increased sporting opportunity. Sport can contribute to regeneration, through improving the social and economic vitality of areas, as well as help to create strong and safe communities. There is a positive correlation between active sport participation and a number of desirable social outcomes, most obviously health, but also greater social cohesion and tackling anti-social behaviour.²⁶

Sporting legacy **2.63** There are indications that success in the sporting arena can lead to increases in sports participation among the general population. For example, since England won the Rugby World Cup in 2003, 51,000 new participants have taken up the sport, an increase of 25 per cent compared to previous years. The playing base is now around 2.2 million. The Rugby Football Union (RFU) has also recruited an additional 2,787 coaches and 732 referees and now has over 39,000 active volunteers.²⁷ A great deal of forward planning and investment went into ensuring that both facilities and coaches were in place to cope with the anticipated increase in participation following a World Cup win. The RFU are also working hard to ensure the increase in interest and participation is sustained.

2.64 Similarly, since England won the Ashes series 2005, there has been an upsurge in participation in cricket. Early indications are that the increase could be as much as almost 50 per cent. Renewed interest in the sport has not been limited to participation, as there has also been an increase in coaching and volunteers of around 25 per cent, the counties are reporting a strong increase in spectator ticket sales, with the Test matches in Summer 2006 confirming this trend.

2.65 Legacy planning is therefore an integral part of any bid for a major sporting event. In order to provide their full support to a bid for the World Cup in 2018, the Government would expect The FA to have considered fully the legacy benefits of bidding, particularly in relation to planning for an increase in interest and participation at the grassroots level by both males and females, to ensure that the sport has the capacity and is organised to respond to an upsurge in interest. **The Government would expect The FA to produce a full and comprehensive legacy plan as part of the bidding process.**

Conclusion

2.66 There are many aspects to consider when bidding to host a World Cup. It will be important that adequate attention is paid to the setting of budgets, including contingency, for the full costs both direct and indirect of hosting the competition. Ensuring that the benefits that flow from hosting a World Cup are shared as widely as possible is an important element in any bid, alongside planning for a sustainable and lasting legacy. All these aspects are likely to form the centrepiece of any future bid, and will be key to ensuring its success.

²⁶ Positive Futures - A Review of Impact and Good Practice, Individual Project Reports, Sport England, <http://www.sportdevelopment.org.uk/pfsitereports2002.pdf>

²⁷ Rugby and Football Union, Annual Questionnaire, November 2005

Box 2.4: Case Study – The Manchester Commonwealth Games 2002

The impact and legacy of hosting major events is clearly demonstrated by the Commonwealth Games held in Manchester in 2002. The legacy was not limited to sport, but also provided non-sporting benefits.

The sporting legacy included the following elements:

- Sport England invested £165 million in the construction and redevelopment of Commonwealth Games venues across Greater Manchester. This investment in facilities has led to further national and international sporting events being attracted to Greater Manchester.
- The City Council has ensured that the public has full access to the new sports venues, apart from those periods where the venue is used for a major event. As part of a wider programme of economic regeneration a number of schemes have been introduced to upgrade local sports facilities and provide activities and training to local residents, for example after schools sports clubs have been established in 16 schools, and over 200 local people have trained as sports coaches.
- Further sporting benefits have included the Great Manchester Run which has seen numbers of participants increase from 10,000 in 2003 to 25,000 in 2006, and attracts Olympic champions and world record holders.

The non-sporting benefits included:

- **Regeneration and Sustainability:** The Games will be regarded as the most significant catalyst in the redevelopment of East Manchester. Benefits include those resulting from an estimated 4.5 million visitors to Sports City, creation of hundreds of new jobs in construction and operation of new businesses and community facilities, reclamation of 148 hectares of derelict land, £45 million investment in leisure and entertainment facilities, 3,500 new jobs created and 500 Games time volunteers from East Manchester.
- **New Developments and Job Creation:** Major new investment in business and retail development has created long term employment opportunities for East Manchester communities, including the opening of the largest superstore in Europe employing 850 operatives.
- **Volunteers and Skills:** In advance of the Games a Pre-Volunteer Programme established an accredited qualification in event volunteering – it was successfully achieved by over 2,000 people across the North West region.
- **Education:** Teachers were involved in the design of materials which also aimed to improve the ICT skills of pupils and teachers. 700 young people from various local high schools took part in projects associated with the Games. A regional educational website was created to deliver online national curriculum material to North West schools around the broad themes of sport and the Commonwealth.
- **Technology and Software Legacy:** While the results and accreditation systems were supplied by third parties, the majority of the bespoke Games systems and websites were developed in-house.

3

MANAGING A WORLD CUP BID

Introduction

3.1 The decision as to whether England should bid to host a future World Cup is not for the Government, but for the Football Association. Bidding for a major sporting event must be viewed as a wholly separate process from hosting the event. This chapter sets out the aspects that may underpin the successful management of a bid, which requires a different set of decisions, planning and delivery objectives. Those that manage the bid process and who are responsible for securing the success of a bid are not necessarily the same people who would subsequently deliver an event.

3.2 The FA must be prepared to put a large amount of effort, backed by adequate resources, into bidding for a World Cup. It is a decision that requires careful analysis of the requirements that hosting the competition will place on The FA, the sporting infrastructure and the wider effects on the UK.

3.3 The international governing body of football, FIFA, sets down the guidelines and requirements for hosting a World Cup, and it is the FIFA Executive that chooses the successful host nation. The first World Cup was held in Uruguay in 1930. Until the United States of America hosted the World Cup in 1994, the competition had only been held in what were viewed as strong, traditional footballing continents: Europe and Central and South America. Football, like other sports and businesses, has begun to adapt to the challenges and benefits of globalisation by ensuring that new, emerging markets, particularly in Africa and Asia can share in the prestige and positive economic impact of hosting a World Cup tournament.

Rotation of World Cup hosts

3.4 In 2000, the FIFA Executive Committee decided to introduce a rotational system for hosting the World Cup, with an African country (South Africa) to be awarded the 2010 competition. Subsequently, FIFA confirmed that the 2014 competition would be held in South America. The earliest the World Cup may return to Europe will therefore be for the 2018 competition. Indications remain strong that joint bidding by two or more host associations is not favoured by FIFA. Although the exact rotation of continents after 2014 has not been published or formally announced by FIFA, when the competition returns to Europe there may well be a strong field of European bidders. There is also a possibility that FIFA will decide not to continue with their rotational system and award the competition to a continent other than Europe.

3.5 By 2018 it will have been over half a century since England hosted the World Cup competition. Many commentators believe that this will be an opportune time for England to bid for and host the competition. The success of the London Olympics bid has added to this desire. **It will be important, however, that the rationale for bidding is not based solely on these perceptions.**

Rationale for Bidding

3.6 Evaluations of sporting events have shown consistently that those with a clear rationale behind the bid are more likely to succeed. This is often why a bidding country will highlight the economic impact, or the opportunities for regenerating cities and regions that hosting a World Cup can facilitate. **Should The FA wish to bid for a future World Cup, it should consider carefully the motivation and rationale for doing so, and ensure this underpins any decision making process.**

Timing of a bid 3.7 There are often advantages in making a decision to bid for an event as early as possible to allow for the maximum preparation time and to ensure that other bidders are aware of the position. In the past the announcement of which country has been chosen to host a World Cup has occurred around six years before the event to allow adequate time for the host nation to prepare. Based on previous occasions the timetable that FIFA might be expected to follow is set out below. The FA should ensure they have the maximum time available to make a decision to bid to host a World Cup. Given the likely FIFA timetable, there is time for a considered decision-making process without jeopardising any firm plan to bid.

Table 3.1: Indicative timeline for 2018 FIFA World Cup bids*

Likely date:	Key milestone:
December 2010	Deadline for declaring interest in organising the 2018 FIFA World Cup
January 2011	Hosting Agreement with requirements for bid documents is sent to candidate football associations
Spring 2011	Deadline for national associations to make a firm commitment to bid by submitting Bidding Agreement to FIFA
Summer 2011	Deadline for handover of bid documentation to FIFA
Autumn 2011	Designation of association to host 2018 FIFA World Cup
Summer 2018	Host nation to stage World Cup

* based on key dates of bidding processes for 2010 and 2014 FIFA World Cup, FIFA

England's bid for the 2006 World Cup 3.8 As stated above, it is assumed that of the home nations' football associations, the English FA would be in the most credible position to bid for a future World Cup. Aside from the UEFA European Championships in 1996, the UK has not hosted a major men's football tournament in recent years, although the UEFA Women's European Championships was successfully hosted in 2005. England put forward a bid to host the 2006 World Cup in 1999. That bid failed, and the tournament was awarded to Germany.

3.9 This study is not intended to provide a further analysis of the last bid to host the World Cup. The FA undertook its own review as did the House of Commons Culture, Media and Sport Select Committee. It is important that lessons are learned from that bid, and that The FA in particular, has taken steps to address the problems that were highlighted following the unsuccessful bid. Despite England's failure to win, the bid was found to have the following strengths:

- it built on the successful hosting of the UEFA European Football Championships in 1996;
- England already had in place some of the best football stadia in the world;
- the plans for a new English National Stadium at Wembley; and
- England was already a major tourist destination.

3.10 However, despite these strengths the fortunes of the bid fluctuated throughout the extended competition process to select the host nation. The most important lessons from the 2006 bid are that extraneous factors and the politics of international sport will always matter as much as the technical strength of a bid. Some of the difficulties surrounding the English bid included:

- a lack of direct influence and representation in international football especially within UEFA and FIFA;
- a lack of clarity about the decision-making processes within The FA and decisions made within FIFA about support for the bidders, which directly influenced the bid. This was compounded by the loss of The FA Chair and Chief Executive during the bidding process;
- a lack of effective national co-ordination to support the bid – particularly amongst the tourism industry and local authorities; and
- FIFA’s assessment that the bid was not wholly compliant with their requirements.

Lessons Learned 3.11 During the bidding process the Football Association recognised the weaknesses of its bid and where appropriate sought to rectify them, including enhancing its participation in the international governance of the sport and its international influence more generally. Since the bid for the 2006 World Cup, The FA has been actively developing its International Relations Strategy that focuses on using football as a means of delivering wider social outcomes in developing countries. At the heart of this strategy is The FA’s International Development Programme which offers training for coaches, referees, and football administrators, as well as sharing FA expertise in marketing and sports medicine. The Programme is active in every continent in the world in partnership with each football confederation.

3.12 Football in England has changed dramatically over the past fifty years, with some of the most significant developments occurring over the last decade. In particular, the large increase in revenues from television rights and sponsorship of professional football has provided a substantial increase in financial resources for both the professional game and, indirectly, the national game. This created the need for the arrangements that worked well in the past to be reviewed in order to meet the needs of football in the 21st century. The FA therefore commissioned Lord Burns in January 2005 to conduct an independent review of its structure focussing on three areas:

- constitutional structures;
- corporate governance; and
- decision-making processes.

FA Structural Review 3.13 Lord Burns presented the conclusions and recommendations of his review in August 2005. The review noted that football in general continued to be in very good health in England, and that the positive work under The FA had contributed to this. It also observed that members of The FA Council brought a great deal of talent and experience to the decision-making processes of The FA committees, but doubted if this was being harnessed in an efficient way.

3.14 The Report concluded that the present structures of The FA had become less suitable due to the changing nature of the professional game, which, although hugely positive, meant that reform of The FA was needed.

3.15 Lord Burns made recommendations against six major elements of his proposals to reform The FA's decision-making structures:

- a newly constituted Board of Directors comprising independent directors and Executive directors as well as representatives of the professional game and national game should take overall responsibility for the running of The FA and delivery of its strategic objectives;
- the Council should become more representative of the national and the professional game, and should oversee the Board;
- a new semi-autonomous regulation and compliance unit should be created to run these function of The FA;
- a new Community Football Alliance should be created to provide leadership and governance for the national game and to promote participation, high standards, and financial flows to the community game;
- the relationship between the core FA and the wider professional football world should be clarified; and
- the way in which FA surpluses are distributed should be regulated by a high level fixed funding formula.

3.16 The FA Council has recently voted to adopt a majority of the recommendations, including appointing an independent chair to the Board of Directors and giving the FA's Chief Executive officer a voting position. The FAs stakeholders will also vote on the recommendations shortly. **Full implementation of the recommendations of the Review is a vital step in ensuring that that The FA is equipped and competent to take the decision whether or not to bid, as well as to manage the bid process.**

Managing a Bid

3.17 In order to mount a successful and credible bid it will be necessary for The FA to set up a structure that will be responsible for managing the bidding process. It is likely that The FA would decide to create a separate organisation for running a bid comprising the necessary skills, competencies and experience, rather than manage the process from within The FA. There will need to be clear and transparent accountability from the bidding organisation to The FA, and there would be value in ensuring a clear division of the roles and responsibilities between The FA and the bid team.

3.18 Although The FA will need to co-ordinate the bid and the way it is presented and lobbied to FIFA, there would be value in having a separation between that function and the planning and running of the bid. Such a relationship would help to mitigate some of the problems associated with the previous bid where there was occasional confusion around accountability, roles and responsibilities of those in The FA and those running the bid. This would be especially important if a bid was successful and a swift transition from bidding to delivery would be required. It may be necessary to consider in detail at the bidding stage what structures and accountabilities would need to be in place in the event of a bid being successful.

3.19 For The FA there are advantages to this structure: it would free them from the day to day responsibility of running the bid while still being able to provide direction. It may also prevent conflicts of interest, particularly where contracts need to be negotiated either with potential sponsors for the bid, which could be seen to impact on existing commercial partners, or where contracts must be negotiated with the football

clubs. The FA could delegate a number of responsibilities to the bidding organisation, for example:

- the development of a robust and fully costed budget for the competition;
- the development of a pricing structure for tickets that maximises the revenue available to the host association from the sale of tickets;
- securing the appropriate Government support and guarantees required by FIFA;
- ensuring that the bid submitted to FIFA is fully compliant with the technical specifications set out in the FIFA guidance;
- identifying the appropriate stadia and negotiate the terms of their use with the relevant football clubs;
- negotiating the appropriate commercial contracts to underpin a bid – e.g. accommodation pricing guarantees; and
- promoting the bid both at home and overseas, along with The FA.

3.20 Bidding organisations require several key elements in order to improve the chances of success, and The FA should consider the following when developing the criteria for a bidding organisation.

- **An adequate budget.** Bidding for events can be an expensive business in itself. Such is the prestige of winning the right to host an event like the World Cup that many are prepared to place substantial investment behind a bid. As with the previous bid, The FA would be expected to fund the bid alongside contributions from other partners, such as The FA Premier League. Commercial sponsors would also prove a valuable source of funding. The German bid, for example was entirely financed through sponsors so that no public costs arose from bidding. An early task for a bidding organisation or committee would be to assess the potential for private sponsorship. **Based on past bids, the cost of a bid is likely to fall in the range of £10 to £30 million (2007 prices).**
- **A professional, suitably qualified team.** The process of bidding for an event requires a range of skills, not just in-depth knowledge of football. Project managers, qualified finance and procurement professionals as well as those with marketing and PR expertise will also be required. The FA may wish to consider whether there should be representation of athletes in any bid organisation. The knowledge and experience that the Olympic athlete Lord Coe brought to the 2012 bid, and his desire to ensure it would be a games for the athletes as well as for spectators, has been viewed as instrumental in securing the bid for London. Government representation is not necessary, but it will be important that the organising committee is able to gain access to Government and seek the appropriate support.
- **Strong, visible and credible leadership.** This can prove exceptionally important. The FA should identify suitable ambassadors within the sport who would actively support and potentially lead the bid. Widely respected ex-players Franz Beckenbauer and Michel Platini have led or been heavily involved in their country's bids and thought to have been hugely influential in achieving the final outcomes. The FA will want to ensure that a suitable

person to lead the bid is identified, be it a sporting or non-sporting personality.

- **Influence within FIFA.** Direct access to those who will be making the decision as to who should host a World Cup can improve the chances of winning. The FIFA Executive is the body that makes the final decision by holding a secret ballot and voting procedure six years before the event is to be held. It will be important that the football association is well positioned to take up opportunities to increase the numbers of British and English representatives on the key governing federations.

Communications Strategy **3.21** Regardless of the structure that The FA considers appropriate to manage the bidding process, it will be vital as part of their bidding strategy to develop a well-researched and robust communications strategy. This should be a transparent strategy that is developed in consultation with key stakeholders and aims to ensure that their expectations are managed. The strategy will also need to identify how best to engage public support and at the same time help them understand the potential impact of a successful bid. It should also be mindful of the key timelines during the bidding process, consult as appropriate at an early stage and ensure that on a timely and regular basis relevant updates on progress are provided.

3.22 Given the media's interest in football, both in the UK and throughout the world, the support and engagement of the media will be vital. The communications strategy should therefore detail how this support will be utilised not only to secure and maintain public support, but also to support and improve international influence. The FA will also need to give consideration to gaining cross-party political support and devise a strategy for ensuring that there is buy-in from a wide range of sporting bodies, not just those associated with football.

Conclusion

3.23 The UK has a strong track record of bidding for major sporting events. In order to maximise the chances of winning a bid to host a World Cup The FA will need to continue with work to implement the Structural Review and take steps to put together a highly skilled professional bid team. Detailed strategies covering all aspects of the bidding process would be required. The FA will want to give particular consideration to suitable leaders for any bid.

4

PUBLIC SUPPORT FOR A BID

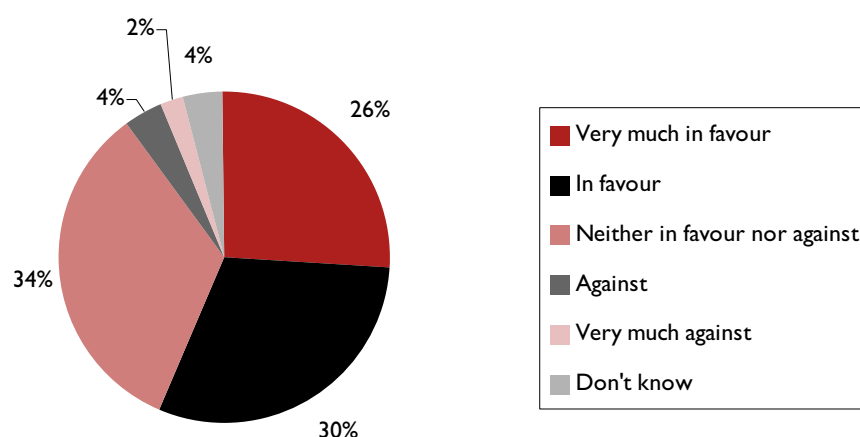
Introduction

4.1 Public support for a bid to host a major sporting event is viewed as important by those who make decisions about which nation will host an event. It would also be a key factor that the Government would have to consider when deciding whether to support a bid. Any bidding strategy will need to include a plan for gaining and increasing public support. The London 2012 bid had high levels of support by the time the decision to bid was made in July 2005. It is worth noting that this was achieved from an initially low base. If The FA were to bid they would need to consider the level of support to aim for and how to achieve this. This would include communicating and ensuring full buy-in from the public for the rationale underlying the country's decision to bid, as well as a clear and objective assessment of the possible impact from hosting the World Cup.

4.2 As part of this feasibility study, the Government commissioned an omnibus public opinion survey to test the levels of support for a 2018 World Cup. In the week of 26th to 30th April 2006 over 2,000 adults aged 16 years or above in the United Kingdom were asked a set of questions in face-to-face interviews. When considering the outcome of the survey, it is important to note that it was conducted without any certainty that there will be a future bid and that it was prior to the 2006 World Cup in Germany. Public perceptions are often influenced by current events and circumstances and a survey such as this is likely to have fluctuating results. The information set out in this chapter is a snapshot of public opinion at the time. More detail and the key findings are set out below.

Support for an English World Cup bid

4.3 According to the public opinion survey, over half (56 per cent) of the sample are in favour of England making a bid to host the 2018 World Cup, with almost half of those being very strongly in favour. Only 6 per cent of the sample are against England making a bid, and 34 per cent are neither in favour nor against.

Chart 4.1: Public support for an English bid

Source: World Cup Omnibus Survey, April 2006

National and Regional variations in support

4.4 National and regional differences occurred across the UK in levels of support for a bid. Favourability was highest among respondents living in England, where 59 per cent were in favour, and lowest among Scottish residents, where 34 per cent were in favour. In terms of English regions, the highest level of favourability was in the London region, where 68 per cent were in favour, and the East Midlands and East of England had the lowest levels, with 50 per cent and 51 per cent respectively of adults aged over 16 in these regions in favour. The table below sets out the detailed distribution of favourability among survey respondents by region. These findings underline the importance of ensuring that the benefits from hosting a World Cup in England are spread to ensure that as many as possible in the country benefit.

Table 4.1 Levels of support for a bid in English regions

English region	% in favour of England making a bid
North East	61
North West	62
Yorkshire and Humber	56
East Midlands	50
West Midlands	62
East of England	51
London	68
South East	60
South West	57

Source: World Cup Omnibus Survey, April 2006

Reasons for supporting or opposing a bid

4.5 Those in favour of England making a bid to host the World Cup in 2018, expressed three main reasons:

- the perception that it would be good for the economy;
- national pride; and
- a personal interest in football.

Other factors included the view that the English team would have a better chance of winning the tournament, and that it would increase motivation at grass roots level.

4.6 Of those who were against England bidding to host a World Cup, for almost half (49 per cent) the reason was the costs, for 26 per cent their lack of interest in football and for 19 per cent the potential of football hooliganism. Only 4 per cent of those opposed to a bid spontaneously gave the threat of terrorism as a reason, and 3 per cent named the reason that England was already hosting the Olympic Games.

Table 4.2: Reasons for being in favour of or against bid

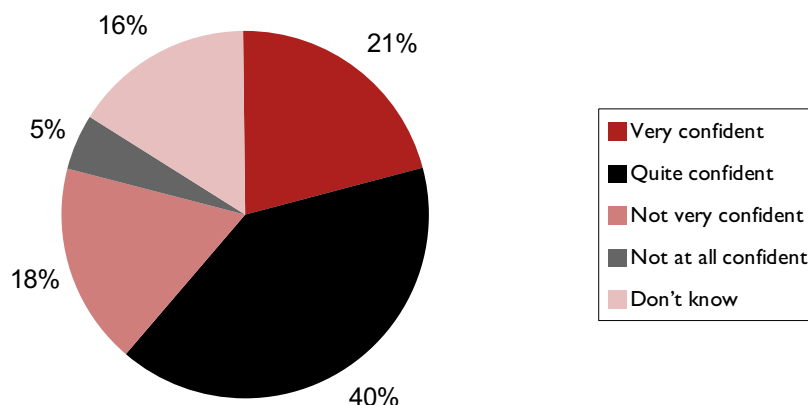
Main reasons for being in favour of a bid	% of those in favour of a bid
'Good for the economy'	42
'National pride'	39
'Interest in football'	31
'Better chance that England will win'	9
'Motivating others to play football'	9
'Good for the country'	5
Main reasons for being against a bid	% of those against of a bid
'Costs'	49
'Not interested in football'	26
'Football hooliganism/trouble'	19
'Not very good at organising such things'	5

Source: *World Cup Omnibus Survey, April 2006*

Confidence in England's ability to host the World Cup

4.7 61 per cent of adults surveyed were confident that England could host the 2018 World Cup, with just over one fifth (21 per cent) very confident. 23 per cent were not confident that England could host the tournament, including 5 per cent of adults who were not at all confident. These findings are illustrated in the chart below.

Chart 4.2: Confidence in England's ability to host a World Cup



Source: World Cup Omnibus Survey, April 2006

4.8 The reasons behind these results were fear of football hooliganism for almost a quarter of respondents (24 per cent), a perception of high costs (for 21 per cent) and to a lesser extent (for only 13 per cent), doubts about stadium capacity. Other factors mentioned by less than 10 per cent of those surveyed included transport problems, a perception that England had a reputation for not finishing big projects on time, a perception that England was not good at organising such events, and the fact that England lost the bid to host the 2006 World Cup.

Perceived beneficiaries and costs of hosting

4.9 The sample was able to spontaneously identify a number of beneficiaries of England hosting the 2018 Football World Cup. The key beneficiaries mentioned by the total sample included 'everyone' by 34 per cent of the respondents, the economy by 30 per cent, the tourist industry by 26 per cent and local businesses by 23 per cent. A host of other beneficiaries were spontaneously identified by less than 20 per cent of the sample, including bars/pubs, restaurants/hotels, football fans, football clubs, the FA, television companies and towns hosting matches. Only 2 per cent felt that no one would benefit and 11 per cent did not know of any beneficiaries.

4.10 46 per cent of the sample surveyed believed, when prompted, that the cost of paying for a World Cup to be held in England would be paid for by the taxpayers, 33 per cent thought by The FA and 30 per cent by the Government.

Conclusion

4.11 Overall the survey has shown that there is a solid basis of support, at a time when no commitment has been made for England to bid to host a football World Cup. Similarly, a majority of those surveyed believe that England is capable of hosting such an event. If The FA were to go ahead and make a bid it would need to ensure that it gained more popular support. In aiming to extend people's support, The FA could usefully take into account these survey results. For example, it would need to ensure that the implications, responsibilities and costs of hosting a World Cup are better understood, and it could seize the opportunity to address some of the concerns people

have, especially those who currently oppose the idea of an English bid. The FA is also likely to want to conduct further opinion surveys in the run up to or following a bid.

4.12 The survey has also shown different levels of support in the nations and regions and this would suggest that a lot of effort would need to be directed to ensuring that people in all parts of the country could support a bid, and derive some benefits if England was to host the World Cup in 2018. Full public support is an essential ingredient in any successful and credible bid for a major sporting event, as has been shown by the London Olympics or in the selection of South Africa to host the 2010 World Cup.

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ISBN 978-1-84532-181-9



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