

D/LDS/1/14/1083

10 June 11

LF Res Comd Sec

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## **THE BRITISH MILITARY TOURNAMENT 2- 4 DEC 11**

### **Issue**

1. Approval to abate charges as a public subsidy for MOD support to the Army Benevolent Fund (ABF) 'The British Military Tournament' at Earls Court, London on 2-4 Dec 2011. Rehearsals will take place on the 30<sup>th</sup> Nov and 1<sup>st</sup> Dec 11.

### **Recommendations**

2. In his email dated 17<sup>th</sup> May, SofS agreed the principle of providing military support in order to allow the Army Benevolent Fund to begin planning for this years show. Taking into account the significant benefits to Community Engagement (CE) and Recruiting, which are expected to be derived from Defence participation in this event, it is recommended that:

- a. Marginal costs should be charged.
- b. Comd Sec Resources/FMPD endorses the charging policy.

### **Timing**

3. Routine.

### **Background**

4. Based on the success of last years event ABF The Soldiers' Charity proposes to stage the second British Military Tournament (BMT) at Earls Court, London on 2-4 Dec 11, with active participation of Defence assets. As an extremely high profile event, there are likely to be significant benefits to

MOD Community Engagement (CE) and Recruiting, together with the benefit of raising much needed funds for the charity. The BMT 2011 is planned to have 5 performances over the Friday to Sunday period and aims to attract a total audience of up to 70,000.

5. The inaugural BMT in 2010 attracted an audience of 51,000 over 4 performances, achieving 91% attendance rate. In the process raising over £300,000 net profit for the ABF having accounted 20% of the profit going to the MOD as agreed in the contract. Feedback from BMT 2010 was extremely positive, with 96% of those surveyed rating the event as excellent or good with expectations met in full; 90% are now more aware of the work of ABF The Soldiers' Charity and 80% visited the Army stands.

6. The theme for the 2011 BMT will be the UK/US "Special Relationship" and will follow the highly successful framework last year. The overall military involvement will be no greater; indeed with potential US military participation, it is expected that the MOD headcount could be marginally reduced from the 2010 levels. The programme for this event will be designed to portray the Armed Forces in an accurate and compelling way. It will mainly draw upon irreducible spare capacity of ceremonial units and will not impact upon personnel currently assigned to, or earmarked for, operations. The production and administration for the event will be handled by IMG under contract with the ABF. Planning for the programme is centred on the re-enactment of key events from the US War of Independence through to Op HERRICK, concluding with a joint Anglo/US "message" from Helmand. The programme includes a Field Gun Competition (performed again by Wellington College), Massed Bands, to include RM, and RAF Band, The King's Troop Royal Horse Artillery's Musical Drive, the Royal Signals White Helmets Motorcycle Display Team, RAPTC display, together with the US Army Europe Band and possibly a US Army Drill Display team.

7. The show will entertain, inform and attract the younger generation. The content and feel of this will draw a wide audience in which to promote the Armed Forces and allow the charity to fund future support to Army welfare. It will provide an exceptional opportunity for GOC LONDIST and Defence to fulfil responsibilities with regard to CE, and it will provide a significant opportunity through carefully targeted media messaging, to help maintain recruitment targets. It is important that Defence maintains an ability to maximise these messaging opportunities through close cooperation with the event organisers. While the anticipated audience is expected to be drawn from the London area, widespread media coverage will ensure that key Armed Forces and in particular the Army, Defence, and ABF messages reach all parts of the UK, if not further a field.

8. The organisers have agreed they would be content for Army Recruitment Teams to locate their recruitment trailers in prime locations on the Earls Court site free of charge.

### **Contributing Military Assets**

9. It is anticipated that the total contribution of military assets will include KTRHA Musical Drive, HCMR Riding Staff, R Signals White Helmets

Motorcycle Display Team, RAPT Display Team, 3 x State Bands, Orchestra of the RA Band, RM Band and an RAF Band and elements of the Queens Colour Squadron will be in attendance.

## Finance

10. In accordance with JSP 368 there is an obligation to raise appropriate charges for Service participation in the event. While participation in The British Military Tournament does not comprise a part of Defence core activity, both CE and recruiting are key core activities. Taking into account the exceptional CE and recruiting opportunities that are presented by this event, I believe there is a very strong case for the charge for our participation to be abated to marginal costs. In addition, the following should be noted:

- a. Stabling. The horses will be stabled and fed at Earls Court at ABF expense. Kings Troop and HCMR horses will walk to Earls Court and back, so no costs for horse boxes will be incurred.
- b. Accommodation/ Feeding. All accommodation and feeding of personnel at the show will be at Earls Court. ABF have placed appropriate contracts for this to happen, thereby ensuring no costs fall to the public purse. It is not anticipated any transit accommodation will be required for the show.
- c. Transport cost. All transport costs for military personnel attending the show will be paid by ABF, and they will produce a transport schedule and liaise with units to ensure their transport requirements are met and paid for by the Army Benevolent Fund. A small estimate has been included for white vehicles and fuel, where it is considered ABF hired vehicles will not be appropriate.
- d. Hospitality/Entertainment . All hospitality, entertainment that takes place at BMT will be at ABF's expense, and therefore no costs will fall to the public purse. Appropriate prior authority for use of transport will be obtained for senior staff and other military staff who are required to act as hosts at the show.

### Comprehensive Commitment Control (3CR).

11. Under the terms of the contract with ABF it will stipulate all marginal costs of the event will be recovered from the Army Benevolent Fund, so as this is a 100% repayment activity and exempt from 3CR, this should not be an issue for this event. ABF have signified their acceptance and agreement to paying these marginal costs for the 2011 show.

12. Taking the above into consideration the costing for the event and rehearsal (5 days commitment) is shown below:

	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£602,914	NIL
Animals	£23,850	NIL
Allowances	£908	£908

Specialist Transport Requirements -Inclusive of Fuel Costs	£2,200	£2,200
Insurance	£10,208	£10,208
<b>TOTAL COST</b>	<b>£640,080</b>	<b>£13,316</b>

13. The anticipated income for the charity for this event is in excess of £400K based on an 85% sale of tickets for 5 performances; a 100% sell would secure over £500K for the charity, for disbursement to meet their charity object. There is no financial liability for the MOD. The charging policy agreed for the 2010 BMT was marginal costs or to pay 20% of the net profit, and with an excess of £383K profit made from the show, London District received £77K in income from ABF. Given the benefits to the Army and the MOD, from the publicity derived from BMT, as detailed in this case and the support provided by the charity for MOD welfare projects, we believe we should apply the maximum use of our delegated authority and seek only marginal cost recovery. The difference between the marginal costs and the full costs of MOD support for this event being treated as a public subsidy.

14. As the full cost of this event exceeds Lands delegated authority of £250k for consideration of a subsidy, there is a requirement to seek the endorsement of FMPD to the appropriate charging policy that should apply to this event.

#### Presentation

15. This is a very high profile event and if successful will attract significant media attention. A full media plan will be developed in due course, in conjunction with ABF, to ensure appropriate messages accompany the publicity as well as the actual event.

[Signed]

██████████  
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Annex A – Detailed costing

<b>KINGS TROOP</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£132,135	NIL
Animals	£21,830	NIL
<b>TOTAL COST</b>	<b>£153,965</b>	<b>NIL</b>

<b>HCMR</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£7,965	NIL
Animals	£1,770	NIL
<b>TOTAL COST</b>	<b>£9,735</b>	<b>NIL</b>

<b>RAPTC</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£33,925	NIL
<b>TOTAL COST</b>	<b>£33,925</b>	<b>NIL</b>

<b>RAF Police/Dogs</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£2,000	NIL
Animals	£250	NIL
Specialist Transport Requirement-Inclusive of Fuel Costs	£200	£200
<b>TOTAL COST</b>	<b>£2,450</b>	<b>£200</b>

<b>State Band 1</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£50,985	NIL
<b>TOTAL COST</b>	<b>£50,985</b>	<b>NIL</b>

<b>State Band 2</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£50,985	NIL
<b>TOTAL COST</b>	<b>£50,985</b>	<b>NIL</b>

<b>State Band 3</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£51,680	NIL
<b>TOTAL COST</b>	<b>£51,680</b>	<b>NIL</b>

<b>RA Band</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£37,420	NIL
<b>TOTAL COST</b>	<b>£37,420</b>	<b>NIL</b>

<b>MSSG</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£14,550	NIL
<b>TOTAL COST</b>	<b>£14,550</b>	<b>NIL</b>

<b>Royal Engineers</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£18,645	NIL
Specialist Transport Requirement-Inclusive of Fuel Costs	£1,000	£1,000
<b>TOTAL COST</b>	<b>£19,645</b>	<b>£1,000</b>

<b>Royal Signals Motorcycle Display Team</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£37,420	NIL
Specialist Transport Requirement-Inclusive of Fuel Costs	£1,000	£1,000
<b>TOTAL COST</b>	<b>£38,420</b>	<b>£1,000</b>

<b>RM Band</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£58,779	NIL
Allowances	£908	£908
<b>TOTAL COST</b>	<b>£59,687</b>	<b>£908</b>

<b>RAF Band</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£65,170	NIL
<b>TOTAL COST</b>	<b>£65,170</b>	<b>NIL</b>

<b>RAF Regt</b>		
	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Military Personnel	£41,255	NIL
<b>TOTAL COST</b>	<b>£41,255</b>	<b>NIL</b>

<b>Insurance</b>	<b>FULL COST (£)</b>	<b>MARGINAL COST (£)</b>
Willis Commercial Insurance Policy	£10,208	£10,208
<b>TOTAL COST</b>	<b>£10,208</b>	<b>£10,208</b>

<b>TOTAL FULL COST (£)</b>	<b>TOTAL MARGINAL COST (£)</b>
<b>£640,080</b>	<b>£13,316</b>

