

D/LDS/14/1083/2 (Civ Sec)

11 April 2012

Command Secretary Resources

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BRITISH MILITARY TOURNAMENT 2012

Issue

1. Requirement to agree a charging policy for the British Military Tournament (BMT) 2012, as a public subsidy for MoD support to the Army Benevolent Fund (ABF) "The British Military Tournament" at Earls Court, London on the 8th and 9th December 2012. Rehearsals will take place 5th – 7th December.

Recommendation

2. That Command Secretary Resources and FMPD agree
 - a. A charging policy of marginal costs to be raised for the Tournament.

Timing

3. Routine. Although this years British Military Tournament is not scheduled to take place until December 2012, early agreement of the charging policy and agreement of the units taking part would be welcomed to allow the HQ London District staff additional time to prepare and cost contracts as well as allowing the ABF a significant amount of time to refine the performance schedules and content.

Background

4. Based on the success of last two years, the ABF would like to stage a third BMT at Earls Court, London and as such have now requested assistance from the MoD. Performances are scheduled for the 8th and 9th December only with rehearsals expected to take place between 5th – 7th December. 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 funds for the ABF. The BMT 2012 is planned to have four performances, two per day and aims to attract a total audience of 41,000.

5. In 2011, the BMT attracted an audience of 45,000 over 5 performances and although ticket sales were down on the 2010 show the ABF considered the performances a success and raised a modest profit of £70,000 for the charity. Feedback from a Defence perspective for BMT 2011 was

extremely positive with 80% visiting the Army recruiting stands. The ABF received excellent feedback directly from Buckingham Palace, the Secretary of State for Defence and the Service Chiefs. Both ABF and the recruiting stands have stated that they have picked up positive feedback from the recruiting stands outside the arena in regard to long term recruiting potential.

Defence Benefit

6. The British Military Tournament is an extremely high profile event, with significant benefits to MoD Community Engagement. The proposed theme for BMT 2012 "The Life of Queen Elizabeth II", with arena events from D Day (Pegasus Bridge) through to a closing tri-Service Op HERRICK re-enactment. 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. The ABF will take all the commercial risks, and cover all MOD's marginal costs. The Army commitment to the event will be met from irreducible spare capacity and will not impact on any State Ceremonial including Public Duty commitments.

7. We have also been offered space to accommodate Recruiting Trailer Stands and displays in prime locations on the Earls Court site free of charge which we would hope to maximise any recruiting opportunities for the tri service.

Contributing Defence Assets

8. ABF's request for military assets for the 2012 show will include Kings Troop Musical Drive, HCBM Musical Ride, LG Band, State Trumpeters, RA Band, RM Band, RAF Band, Queen's Colour Sqn RAF Display, RN PT Display Team, The Rifles (Platoon), Royal Signals White Helmets (6 x personnel), OM Party and Royal Engineers

9. It is expected that the event will attract significant media interest and as such a full media plan will be developed in conjunction with both the ABF and DMC to ensure appropriate messages accompany the publicity as well as the actual event.

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 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:

- Stabling. The horses will be stabled and fed at Earls Court at ABF expense.
- Transport. All transport will be provided by ABF at their expense.
- 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.
- 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.


11. Current estimated costs for the BMT 2012 event and rehearsals (5 days commitment) is shown below:

Description	Full Cost (£)	Marginal Cost (£)
Manpower	467,835	0
QM Party Manpower	5,410	5,410
RM Band Feeding Costs	421	421
Horses	36,580	0
Sleeping & Clothing Facilities (600 Cots / Chairs) estimated	6,393	6,393
RS White Helmets	1,192	1,192
TOTAL	517,831	13,416
Insurance (Willis cost - 2011)	10,095	10,095
WMIPT Admin Fee (Capped at £1000)	1,000	1,000
TOTAL COST	528,926	24,511

12. As the full costs of this event exceed HQ Army's delegated authority of £250K for consideration of a subsidy, I would be grateful if endorsement could be sought from FMPD regarding the appropriate charging policy which should apply for this event.

13. Finally it needs to be highlighted that there is no financial liability for the MOD. The charging policy agreed for the BMT 2011 was marginal costs and the proposal is that this policy applies for the 2012 event. 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

(Original Signed)


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