

ITEM NUMBER: C 25/03/15

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 17 FEBRUARY 2015

MC 17/02/15 CLOSE-OUT REPORT: WORLD SUMMIT OF NOBEL PEACE LAUREATES AND APPROVAL FOR THE REALLOCATION OF FUNDING

It is **RECOMMENDED** that:

- (a) the close-out report on the World Summit of Nobel Peace Laureates event, be noted
- (b) approval be granted for the reallocation of funding as follows:
 - (i) R2 000 000 of the World Summit of Nobel Peace Laureates project funding be reallocated to Cost Centre 12072011 (Cape Town Stadium), GL 455100 (Contracted Services);
 - (ii) R1 000 000 of the World Summit of Nobel Peace Laureates project funding be reallocated to Cost Centre 19060500 (ED: Tourism, Events and Economic Development), GL 413750 (Rental);
 - (iii) R4 619 852.50 of the World Summit of Nobel Peace Laureates project funding remain in Cost Centre 19060500 (ED: Tourism, Events and Economic Development), GL 457300 (Sponsorship: Events Funds), for allocation to events.



REPORT TO EXECUTIVE MAYOR

DATE 2015-02-17

1. ITEM NUMBER : MC 17/02/15

2. SUBJECT

CLOSE-OUT REPORT: WORLD SUMMIT OF NOBEL PEACE LAUREATES AND APPROVAL FOR THE REALLOCATION OF FUNDING

ONDERWERP

AFSLUITINGSVERSLAG: WÊRELDBERAAD VAN NOBEL-VREDESPRYSWENNERS EN GOEDKEURING VIR DIE HERTOEWYSING VAN BEFONDSING

SIHLOKO

INGXELO YOKUGQIBELA: INKOMFA YEHLABATHI ENGABO BAFUMENE IMBASA YOXOLO KUNYE NOKUPHUNYEZWA KOLWABIWO NGOKUTSHA LWEZIMALI

[E7352]

3. STRATEGIC INTENT

- Opportunity City

Objective 1.1: Create an enabling environment to attract investment that generates economic growth and job creation
Programme 1.1(a) Events programme

4. PURPOSE

The report serves as a close out report on the World Summit for Nobel Peace Laureates event which was suspended on October 2014 and approval for the re-allocation of funding within the Tourism, Events and Marketing Directorate.

5. FOR NOTING BY

This report is for decision by.

- Mayoral Committee
- Council

6. EXECUTIVE SUMMARY

The World Summit of Nobel Peace Laureates is a prestigious event which was supposed to take place in Cape Town from 13 - 15 October 2014 at the CTICC. The event attracts high profile attendees such as Nobel Peace Laureates, Heads of State, former Heads of State and international celebrities.

The hosting of the World Peace Summit of Laureates was recommended by the Special Events Committee on 11 July 2014 and approved by Council on 20 August 2014 [C30/08/14].

On 2 October 2014 the hosting of the 2014 World Summit for Nobel Peace Laureates was officially suspended by the Secretariat for the World Summit for Nobel Laureates, the City of Cape Town and the hosting Laureates. The 2014 World Summit for Nobel Laureates held in Rome from 12 – 14 December 2014.

This report provides Council with the final expenditure incurred and requests approval to re-allocate the unspent funds assigned to this project.

7. RECOMMENDATIONS

Not delegated: for decision by Council:

It is recommended that:

- a) Council receive and note the report.
- b) Council approve the reallocation of funding as follows:
 - (i) R2 000 000 of the World Summit of Nobel Peace Laureates project funding be reallocated to cost centre 12072011 (Cape Town Stadium), GL 455100 (contracted services)
 - (ii) R1 000 000 of the World Summit of Nobel Peace Laureates project funding be reallocated to cost centre 19060500 (ED: Tourism, Events and Economic Development), GL 413750 (rental)
 - (iii) R4 619 852.50 of the World Summit of Nobel Peace Laureates project funding remain in cost centre 19060500 (ED: Tourism, Events and Economic Development), GL 457300 (sponsorship: events funds), for allocation to events.

AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

Daar word aanbeveel dat:

- a) Die Raad die verslag ontvang en daarvan kennis neem.
- b) Die Raad die hertoewysing van befondsing as volg goedkeur:

- (i) R2 000 000 van die projekbefondsing vir die wêreldberaad van Nobel-vredesprysweners hertoegewys word aan kostesentrum 12072011 (Kaapstad-stadion), GL 455100 (gekontrakteerde dienste).
- (ii) R1 000 000 van die projekbefondsing vir die wêreldberaad van Nobel-vredesprysweners hertoegewys word aan kostesentrum 19060500 (uitvoerende direkteur: toerisme, geleentheid en ekonomiese ontwikkeling), GL 413750 (huurgeld).
- (iii) R4 619 852,50 van die projekbefondsing vir die wêreldberaad van Nobel-vredesprysweners in kostesentrum 19060500 (uitvoerende direkteur: toerisme, geleentheid en ekonomiese ontwikkeling), GL-rekening 457300 (borgskap: geleentheidsfondse) bly vir toewysing aan geleentheid.

IZINDULULO

Azgunyaziswanga: isigqibo seseBhunga:

Kundululwe ukuba:

- a) IBhunga malifumane kwaye liqwalasele ingxelo.
- b) IBhunga maliphumeze ukwabelwa ngokutsha kwenkxaso-mali, ngolu hlobo lulandelayo:
 - (i) Isixa-mali esingama-R2 000 000 seprojekthi yeNkomfa yeHlabathi engabo bafumene iMbaso yoXolo masabelwe ngokutsha kwiziko lendleko 12072011 (elingeStediyam saseKapa), GL 455100 (iinkonzo ezingekhonorakthi).
 - (ii) Isixa-mali esili-R1 000 000 seprojekthi yeNkomfa yeHlabathi engabo bafumene iMbaso yoXolo masabelwe ngokutsha kwiziko lendleko 19060500 (elingeloMlawuli weSigqeba kwezoKhenketho, iMisitho, noPhuhliso lwezoQoqosho), GL 413750 (intlawulo engerenti).
 - (iii) Isixa-mali esingama-R4 619 852,50 seprojekthi yeNkomfa yeHlabathi engabo bafumene iMbaso yoXolo, inkxaso-mali mayihlale ikwiziko lendleko 19060500 (elingeloMlawuli weSigqeba kwezoKhenketho, iMisitho noPhuhliso lwezoQoqosho), GL 457300 (umnikelo: izimali ezingemisitho), ukuze sabelwe ngokujoliswe kwimisitho.

8. DISCUSSION/CONTENTS

On 11 October 2013, the City of Cape Town was selected as the Host City of the World Summit of Nobel Peace Laureates by the Permanent Secretariat of the World Summit at its closing ceremony in Warsaw, Poland.

The World Summit of Nobel Peace Laureates is a prestigious event which was supposed to take place in Cape Town from 13 - 15 October 2014 at the CTICC. The event attracts high profile attendees such as Nobel Peace Laureates, Heads of State, former Heads of State and international celebrities.

The hosting of the World Peace Summit of Laureates was recommended by the Special Events Committee on 11 July 2014 and approved by Council on 20 August 2014 [C30/08/14]

On 2 October 2014 the hosting of the 2014 World Summit for Nobel Peace Laureates was officially suspended by the Secretariat for the World Summit for Nobel Laureates, the City of Cape Town and the hosting Laureates. The 2014 World Summit for Nobel Laureates will now be held in Rome.

The decision to suspend the event was made after the majority of Nobel Laureates and Laureate Institutions requested that the Summit be shifted to another country or that a VISA to His Holiness the Dalai Lama be granted unconditionally to allow him to attend the 14th World Summit of Nobel Peace Laureates.

At the time of the suspension, the City of Cape Town had already commenced event operations. At the time of cancellation, the City of Cape Town registered a total of 584 delegates, 128 youth and 48 media on the event website registration system. The expo at the event was also fully booked with 22 Exhibitors taking up 50 exhibition slots. The gathering of 14 Peace Laureates and 11 Peace Laureate organisations would have been the largest gathering of Nobel peace laureates in the history of the event.

The final expenditure incurred is presented below:

Area	Cost
Cancellation Fees (Conference Organiser)	R 976 867.50 (excl. VAT)
Cancellation Fees (CTICC)	R1 403 280.00(excl. VAT)
TOTAL	R2 380 147.50 (excl. VAT)

The total amount to be re-allocated is R7 619 852.50.

The Cancellation fee was for expenses with long lead times which had to be incurred before the suspension was announced. These include expenses such as the Conference Registration program, website design, design of marketing materials, safety and security planning venue hire conditions.

Furthermore, in addition to a loss of revenue related to event services that would have been procured from the CTICC during the event, the CTICC had to compensate two clients for displacing their events and lost a further three bookings earmarked for the period 13 – 15 October 2014. As the event was cancelled at such a late stage, it was not possible to re-instate the cancelled and displaced bookings.

A total of R2Million of the remaining funding will be re-allocated to cost centre 12072011(Cape Town Stadium), GL account 455100 (contracted services). A further R1Million will be re-allocated to cost centre 19060500 (Executive Director: Tourism, Events and Economic Development), GL account 413750 (rental) and the remaining amount of R4 619 852.50 will re-allocated to cost centre 19060500 (Executive Director: Tourism, Events and Economic Development), GL account 457300(Sponsorship: Events) to be further allocated to approved events.

ZUKISWA NQANQALI
 MANAGER: OPERATING
 BUDGET 400 1878

8.1. Financial Implications

Council approve the re-allocation of funding as follows:

	Cost Centre	Cost Element	Amount
Total amount allocated for the World Summit of Nobel Peace Laureates	19060500 (ED: Tourism, Events & Economic Development) 16020001 (Events) 19060501 (Integration & Support) 19060503 (Place Marketing) 18050000 (Arts & Culture)	457300(sponsorship: events)	R4 045 077.57 R2 172 000.00 R1 354 922.43 R 50 000.00 R2 378 000.00 R10 000 000.00
Cancellation Fees (Conference Organiser)	19060500(ED: Tourism, Events & Economic Development)	457300(sponsorship: events)	R976 867.50
Cancellation Fees (CTICC)	16020001 (Events)	457300(sponsorship: events)	R1 403 280.00
<u>Expenditure incurred</u>			R2 380 147.50
Unspent Funds	19060500(ED: Tourism, Events & Economic Development)	457300(sponsorship: events)	R7 619 852.50
<u>Requests for Reallocation of funding</u>			
Funding to be used for events hosted at Cape Town Stadium	12072011 (Cape Town Stadium)	455100 (contracted services)	R2 000 000
Funding to be used for rental cost for 14 th and 15 th floor, Telkom Towers rental	19060500 (ED: Tourism, Events & Economic Development)	413750 (rental)	R1 000 000
Funding to be used for adhoc events.	19060500 (ED: Tourism, Events & Economic Development)	457300 (sponsorship: events)	R4 619 852.50
Balance remaining			<u>R0</u>

FINANCIAL DETAILS
 CHECKED
 DATE: 08/01/2015
 BY: N. FAKTO

8.2. Constitutional and Policy Implications

None

8.3. Sustainability Implications

Does the activity in this report have any sustainability implications for the City? No Yes

8.4. Legal Implications

None



8.5. Staff Implications

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?

No

Yes


8.6. Risk Implications

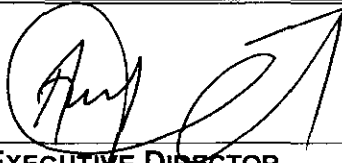
None

8.7. Other Services Consulted

None

FOR FURTHER DETAILS CONTACT:

NAME	Teral Cullen
CONTACT NUMBERS	021 - 4170605
E-MAIL ADDRESS	teral.cullen@capetown.gov.za
DIRECTORATE	Tourism, Events and Economic Development
FILE REF NO	5/11/12/2/160
SIGNATURE : DIRECTOR	 2015-01-08



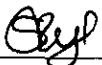
EXECUTIVE DIRECTOR
Anton Groenewald

Comment:

NAME

DATE

12.1.2015



LEGAL COMPLIANCE

[Compulsory to Insert name]

REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

NON-COMPLIANT

NAME Sarah van Zyl
TEL 021 400 5446
DATE 14.01.2015

Comment:

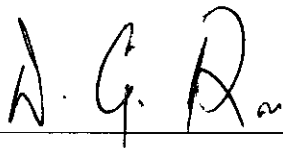
Certified as legally compliant:
Based on the contents of the report. *ef*



CHIEF FINANCIAL OFFICER (EXECUTIVE DIRECTOR: FINANCE)

COMMENT:

NAME KEVIN JACOBY
DATE 13.01.2015



EXECUTIVE DIRECTOR: COMPLIANCE AND AUXILIARY SERVICES (ED: CAS)

SUPPORTED FOR ONWARD SUBMISSION TO MAYOR / MAYCO / COUNCIL

NOT SUPPORTED

REFERRED BACK

DATE 16/1/2015

COMMENT:



MAYORAL COMMITTEE MEMBER
Garreth Bloor

COMMENT:

NAME Garreth Bloor
DATE 21.01.2015

P. de Lille

EXECUTIVE MAYOR

SUPPORTED FOR ONWARD SUBMISSION TO MAYCO / COUNCIL

PC RECOMMENDATION

RECOMMENDATION AS CONTAINED IN ORIGINAL REPORT

ALTERNATIVE RECOMMENDATION TO BE REFLECTED BELOW

APPROVED I.T.O. DELEGATED AUTHORITY

NOTED

REFUSED

REFERRED BACK

DATE 23.01.2015

COMMENT:

