



Internal Memo

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From: R B Spence
Permanent Secretary

Your ref:
Our ref: PSE 771/97

Tel: (5)41175/6

ACK'D A/B
REFERRED TO

Date: 24 November 1997

To: PS/Secretary of State (B&L)

cc: PS/Mr Murphy (DFP,B&L)
PS/Mr Ingram (DED,B&L)
PS/Lord Dubs (DANI,DOE&L)
PS/Mr Worthington (DENI,DHSS&L)
PS/PUS (B&L)
PS/Mr Semple
NI Permanent Secretaries
PSG
Mr Steele
Mr Thomas
Mr Watkins
Mr Woods

*Martin To note
I should discuss
Can this be arranged
the
28/11*

"BELFAST UNITED"

Introduction

1. This minute follows up some earlier informal discussions about the possibility of an English Premier League football club relocating to Belfast.

Background

2. It would be a significant breakthrough if Belfast had a football team playing in the English Premier League. The Belfast team should be able to build up strong cross-community support and provide a positive unifying force in a divided city. The city's image would be enhanced through its football team

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performing at the top level in English and European competitions. Northern Ireland's football fans would be able to see the top teams playing in Belfast. A premier league side in Northern Ireland would help to retain the best local players in the sport and in turn help the Northern Ireland team. The city would benefit financially from the increased spending in hotels, restaurants and shops by visiting teams, their supporters and sports journalists.

3. The city would get a modern, all seater sports stadium. Other sports might be interested in using the new stadium; thus enabling other high quality sporting events to come to Belfast. The stadium might be suitable for open air concerts. There is the possibility of attaching to the stadium a training facility for young sports people and of creating an Academy of Sport in conjunction with the University of Ulster.
4. The proposed sports stadium would have been a possible contender for funding by the Millennium Commission if it had emerged earlier. It offers now an alternative to the Odyssey project if it falters at a late stage. One possible location for the sports stadium is adjacent to the Odyssey site on land owned by Belfast Harbour Commissioners and leased to Harland and Wolff. This would offer prospects for close co-operation and a sharing of some facilities. Other options include land in DOE ownership on the North Foreshore and land on the Holywood Road owned by Belfast City Council.

The proposal

5. The basic proposition is that a Trust would be created to build the sports stadium and the Trust would lease it to the Football Club for 99 years.

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6. The development might also, depending upon location, include practice pitches, car parking, a cinema multiplex, restaurants, retail outlets, a hotel, a Sports Academy (with a Sports injury clinic).
7. The stadium would have to be available by August 1999. It is assumed that, in the meantime, Wimbledon will retain its place in the Premier League. The Club would relocate to Belfast in its entirety - owner, players, manager, etc. There would be a name change to reflect the Club's new location.

Funding

8. The cost of a 40,000 seater stadium is estimated at around £40-45m. There would be no costs to the Trust in the running of the football club itself.
9. The Trust would fund the construction of the stadium through:-
 - 9.1 Selling the stadium title to a company like Nike; it is claimed that preliminary negotiations are well advanced and that a contribution of £3m is possible.
 - 9.2 Securing secondary sponsorship through sale of hospitality boxes to 20 private sector interests, both locally and nationally, producing around £5m.

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- 9.3 Selling individual debentures at under £100 per year for 10 years to up to 20,000 local football fans, funded by loans from the NI banks, producing around £10m.
- 9.4 Rental income from Wimbledon Football Club around £½m per year.
- 9.5 Income from any commercial activities.
- 9.6 A possible contribution from the football club following sale of its present ground.
10. There is also the possibility of negotiating a deal with the Irish Rugby Football Union to co-locate at the new stadium. This would enhance Belfast's ability to host big rugby matches. It would enable the IRFU's ground at Ravenhill in South Belfast to be sold, possibly for housing, and permit the IRFU to invest a sum in the new stadium.
11. Other sources of private sector sponsorship would be explored and there is scope for further investment through companies selling soft and alcoholic drinks and providing food. The Trust should be able to raise private sector borrowings of at least £5m.
12. The aim would be to reduce to the minimum any public sector contribution. If that contribution was held to about 20% of the capital costs, it would require around £8m to £10m, which might be injected over a 5 to 10 year period. Belfast City Council is a possible source of public sector funding as well as Government.

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The Next Steps

13. There is a need to bring matters to a head quickly, not least because Wimbledon is still exploring a possible move to Dublin.
14. Bob Jones, Chairman of Belfast Chamber of Trade and Commerce, is drawing together a number of prominent Belfast business people who will act as a shadow trust. Stephen Kingon of Coopers and Lybrand is providing advice in a personal capacity. They will urgently evaluate the potential sites and decide which one offers the best option. They will develop further the rough financial figures set out above and make the case for a public sector contribution. They will have to decide when to make a direct approach to Wimbledon.
15. This proposition is, of course, a very long way from being in a fully worked up condition which would allow Ministers to consider whether it merited support. However, this may turn out to be an unique situation where a political judgement may have to be taken to back the concept in principle before all the relevant evidence is available.
16. For the present, the Secretary of State may wish to:-
 - 16.1 encourage the local business people in their future work to explore the realism of this possibility; and
 - 16.2 agree that the Northern Ireland Events Company might provide some financial support for feasibility work.

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17. It may be necessary at a later date to consider whether Ministers might say to Wimbledon that they would be very interested in a relocation to Belfast if acceptable terms could be negotiated.

RM

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