

FROM: LYNDA LISTER
Sport and Recreation

DATE: September 1999

To: PS/Minister

cc Secretary
P Holmes
E Rooney
J Palmer
J Garrett

NATIONAL SPORTS STADIUM

1. The Minister has agreed to a presentation of the findings of the Working Group established by the Sports Council to examine the need for, and feasibility of, a national stadium for Northern Ireland.

2. This will be held in the Minister's room in Rathgael on ~~Tuesday 14 September~~ ^{Thursday 16 Sept} 3.00 pm with a pre-brief with officials at ~~1.50~~ ^{2.15} pm.

3. Those attending the presentation are:-

Sports Council:	Don Allen (Chairman) Eamonn McCartan (Chief Executive)
Consultants:	Philip McDonagh (Price Waterhouse Coopers) Noel Graham (Consarc Design Group)
DENI Officials:	Secretary Eddie Rooney Lynda Lister

4. I attach briefing material as follows:-

1. Background Note
2. Line to take
3. Line to take by Press Office

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SR/808

PRESENTATION ON NATIONAL SPORTS STADIUM, 14 SEPTEMBER 1999

BACKGROUND NOTE

1. During the Adjournment Debate on 16 March 1999, the Minister announced the establishment of a Working Party, led by the Sports Council for Northern Ireland, to consider issues around the development of a National Stadium. Membership of the Working Group and its terms of reference are attached (tabs A and B).

2. The Working Group engaged consultants to examine the need for a feasibility of a national stadium. The main findings of their report (tab C) are:-

- . general agreement that there are fundamental inadequacies in existing sports facilities;
- . the 4 core sports bodies (soccer, rugby, GAA and athletics) support the concept of a national stadium and would commit up to 30 events per annum;
- . the estimated capital cost of a new stadium is in the region of £60-70m;
- . annual running costs are expected to be c.£2m;
- . three options for location have been considered, but no preference is indicated at this stage;
- . there are several possible models for securing finance, including public private partnerships.

3. The report concludes that the proposal for a national stadium could succeed under a specified set of conditions and recommends that there is a case for further detailed investigations in the form of a full economic appraisal and PPP outline business case. Areas identified for further investigation include:

- . market research on events/revenues/competition;
- . technical feasibility and identification of the optimum design;
- . further evaluation of site options;
- . measurement of the potential social and economic benefits;

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- sources of capital and revenue funding; and
- potential ownership/management structures.

Assessment

4. The consultants' report represents the culmination of an intense period of activity to assess the extent to which a national stadium is a realistic proposition.

5. This has been a useful exercise and it has certainly helped to clarify both the potential of a stadium and the obstacles to be overcome before this can be realised. Securing the necessary capital and revenue funding will be particularly difficult and there is a clear expectation that a substantial public sector investment will be required. The report recognises fully that considerable work has yet to be done before concrete proposals can be brought forward.

Way Forward

6. While an early decision on the way forward will be expected, there is no requirement on the Minister to make this decision immediately. Further follow-up analysis of the potential usage of the stadium and the associated capital and revenue funding requirements, is necessary to ensure that the assumptions made in the initial report are realistic. It is considered that the Consultant, Philip McDonagh, should be asked to pursue further investigation of these areas and report back direct to the Minister before a decision is made on whether to move on to a second, more detailed, stage of investigations into the development of a national stadium. It would not be necessary to involve the Working Party in this follow-up work. DENI officials and SCNI would together work out the detailed arrangements for a short-term extension (say 5 days) of the Consultant's contract.

7. The Minister is due to address the National Sports Development Conference at the Slieve Donard Hotel on 5 October. This would be an appropriate and timely venue for an announcement on the way forward.

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PRESENTATION ON NATIONAL SPORTS STADIUM, 14 SEPTEMBER 1999

Issue 1:

It would be appropriate to acknowledge the intense period of work undertaken by the Working Group, which has culminated in the Consultant's report.

Line to take:

It is recommended that the Minister should:

- express his gratitude for the presentation of the report findings;
- through Don Allen, thank the Working Group for the speedy and comprehensive response to his request for an initial report;
- note that the report concludes that a national stadium could succeed under specified conditions and recommends that there is a case for further investigation;
- stress that affordability and long-term sustainability would be crucial concerns for Government;

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Issue 2:

The main issue will be the way forward and it is anticipated that Don Allen will seek to secure a decision from the Minister on the spot to proceed to the second stage of a detailed examination of the National Stadium proposal in the form of a full economic appraisal. He is likely to refer to the substantial interest of the media.

Line to take:

It is recommended that the Minister should:

- say that there are a couple of key issues on which he would welcome clarification;
- invite Philip McDonagh to undertake a further short-term exercise to examine these key areas ie:
 - i. the estimated number and nature of events to be staged each year, eg,
 - how realistic are the report's assumptions?
 - what is the historic position on attendances at major sports events?
 - what is the Consultant's professional assessment of the potential use of the stadium in terms of events and attendance?
 - ii. the funding options
 - how realistic are the proposals in the report?
 - what is the most likely way of making the stadium viable? Eg, through an anchor tenant?
- make it clear that he would like Philip McDonagh to undertake this work quickly and report back **direct** to him;
- indicate that when he has received this information he will be better placed to reach a decision on the way forward;
- say he would hope to be able to announce his decision soon, possibly when he addresses the Sports Development Conference on 5 October;
- agree to keep the Sports Council and others informed;
- request his officials and SCNI to work together on the detailed arrangements for the short extension of the Consultant's input.

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PRESENTATION ON NATIONAL SPORTS STADIUM, 14 SEPTEMBER 1999

Issue:

It is possible that there will be media interest surrounding the presentation to the Minister and a request for a statement from the Minister on the way forward on the National Stadium issue.

Line to take by Press Office

It is recommended that, if required, the Press Office should issue the following statement:

“John McFall today met representatives of the Working Party, led by the Sports Council, to consider issues surrounding the development of a National Stadium for Northern Ireland. The Minister expressed his gratitude to the Working Party for their comprehensive report, which concludes that a proposal for a National Stadium could succeed under certain conditions. Before deciding on the way forward, the Minister has asked consultants to pursue some further work on the detail of the report. This will be a short-term exercise and the Minister hopes to make a decision on the way forward in the near future.”