

<b>Subject:</b>	<b>Ice Rink – Potential Provision in Brighton &amp; Hove</b>		
<b>Date of Meeting:</b>	<b>16 June 2016</b>		
<b>Report of:</b>	<b>Acting Executive Director of Economy, Environment &amp; Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Ian Shurrock</b>	<b>Tel: 29-2084</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The council has received representations at various times over many years to provide an ice rink in the city. Most recently a petition of 2000 signatures was presented at full council in November 2015 calling on the city council to support efforts to build a new ice rink. This petition was referred to the Economic Development & Culture Committee and the Chair of the Committee requested a report on the potential provision of an ice rink in the city.
- 1.2 This report will provide a brief overview of ice rink provision and previous proposals in the city, a broad overview to the challenges faced in providing an ice rink through examples of the funding and operation of ice rinks in the United Kingdom, and to seek agreement from members for the council to initiate a soft market testing exercise to identify if there is potential for an ice rink in the city. It is recognised that the council does not have the capital funds available to prioritise building an ice rink, or a suitable site readily available within its ownership on which such a facility could be built. Case studies are provided to illustrate the key issues that are faced in providing such a facility.

**2. RECOMMENDATIONS:**

- 2.1 That the committee notes the significant challenges in achieving a new ice rink in the city.
- 2.2 That the committee agrees for the council to undertake a soft market testing exercise over a four month period to identify if there is the potential for an ice rink to be provided in the city.

### **3. BACKGROUND INFORMATION**

#### OVERVIEW OF ICE RINK PROVISION IN THE CITY

- 3.1 The provision of ice sports has a long but somewhat chequered history in the city. The first ice rink was opened in Middle Street, Brighton in 1897, but closed shortly after in 1901 to be converted into the Hippodrome variety theatre. A new ice rink was not built until 1935 when ice hockey became popular in the city and the Brighton Tigers were one of the United Kingdom's most successful sides. The club were based at the Brighton Sports Stadium (often known by its original name of S.S. Brighton) on West Street. The Tigers were members of the English National League and later the British National League; the club were one of the country's best supported teams with 4,000 spectators regularly attending matches. The Tigers' most famous victory was over the Soviet Union in December 1957, winning 6–3. However, the collapse of the professional ice hockey league in 1960 had a significant impact upon the ice rink which subsequently closed in 1965 and was demolished to enable the redevelopment of the site.
- 3.2 In 1965, Top Rank opened a new ice rink on the corner of West Street and King's Road but this closed in 1972. The most recent permanent ice rink was opened in Queen's Square in 1973 and run by the former S.S. Brighton skater Valerie Moon. This rink was a conversion of a former Territorial Army drill hall and while it operated for a considerable time, it has now been closed for many years.
- 3.3 In recent years the development of temporary ice rinks (both indoor and outdoor) has enabled the viable provision of ice skating to take place on a limited basis. The indoor rink at the Brighton Centre proved popular until it was superseded by the temporary outdoor rink in the Royal Pavilion Gardens. The viability of such rinks with relatively low capital costs combined with the food and beverage income (particularly of the latter) of the ice skating experience has enabled this type of temporary facility to be successful.
- 3.4 However, the funding required combined with the availability of a suitable site are a significant challenge to achieving a permanent facility and this is illustrated by the first case study. Prior to the current Brighton Waterfront project, ice rinks were part of the previous development project of the Black Rock site.

#### MOST ADVANCED RECENT ICE RINK PROJECT IN THE CITY

##### Case study 1: Black Rock

- 3.5 In recent years the most advanced project to achieve a new ice rink in the city was at Black Rock.
- 3.6 In April 2007, Policy & Resources Committee gave landlord consent to Brighton Arena Limited ("BAL") for the Brighton International Arena Scheme. After a widespread public consultation exercise and exhibition the scheme was chosen as the one which offered the best all round solution to the Black Rock site and would have provided the city with a brand new multi-purpose sports and entertainment arena *and* an adjacent permanent public ice rink. The rest of the scheme offered private and affordable housing and retail and restaurant uses.

The design had received initial support from both CABE and English Heritage. During pre-planning stage discussions in 2008 the funder for the project went into receivership and at this time all funding for the project, including funds to the professional consultant and design team, ceased.

- 3.7 In the intervening period of time, considerable efforts were made on the part of BAL and the council team to seek ways to secure funding for the original scheme. Most arenas in the UK and further afield receive an element of public subsidy, but the BAL team's aspiration was to self-operate the venue and cross subsidise from other aspects of the scheme to achieve viability, rather than to take this all as developer profit. This approach was not one that was especially attractive to funders, but the search for funding continued with several high networth individuals taking an interest but no final funder being forthcoming
- 3.8 Over the final 18-24 months BAL explored alternatives to unlock greater value in the scheme and discussed these options with council officers to see what may be acceptable. It was agreed informally that if the Developer wanted to come forward with final changes to incorporate a hotel use and additional commercial uses at ground floor level this would not be ruled out by the council. However, these options did not in the end create the additional value the scheme required to break even and to interest funding institutions.
- 3.9 The final opportunity to unlock the scheme came at the beginning of 2012 when ongoing negotiations took place with a well known commercial operator to take on a 25 year lease for the Arena. Changes to the building specification for the arena were proposed (although these were not discussed in detail with the council), but this appeared to have created a greater cost burden on the project. Although a target agreement was reached it did not herald the final solution to funding the scheme which the developer had predicted.
- 3.10 The Black Rock Project Board reviewed the final proposals to assess:
- Ability to achieve a viable and acceptable scheme in design and planning terms
  - Legal challenge possibilities around procurement
  - Financial deliverability
  - Need for council subsidy to the leisure element
- 3.11 In the light of the above the Board reached the view that the proposals presented were not able to satisfy these criteria and it was no longer justifiable for the council to support the project.

#### ICE RINKS AS PART OF LEISURE HUBS

- 3.12 There are clearly a range of ice rinks that do operate successfully across the country. Often such ice rinks are provided as part of a hub of sports provision in which the economies of scale attract a wide number of users that enable the sports complex to be viable. One of the closest ice rinks to Brighton & Hove is the Guilford Spectrum and this is the second case study to illustrate the issues to achieving a new ice rink.

### Case study 2: Guildford Spectrum

- 3.13 While the Guildford Spectrum is a public sports facility operated by Freedom Leisure on behalf of Guildford Borough Council, it is one of the largest sports complexes in the country and includes areas often viewed as “commercial leisure”. For example, the Spectrum includes a 32 lane bowling alley and large leisure pool complex together with large event halls which hosts an entertainment programme similar to that found in venues such as the Brighton Centre.
- 3.14 Detailed financial information on the performance of the Spectrum is commercially confidential, however Freedom Leisure have kindly assisted with some headline performance statistics. The income generated by the 330,000 annual visitors using “Spectrum Ice” is in the region of £2.5m per annum and relates to approximately 25% of the income generated by the Spectrum as a whole.
- 3.15 The costs of operating the ice rink at the Guildford Spectrum are much harder to identify due to the shared nature of many of the resources throughout the complex, however running an ice rink is very costly. The on-going repairs and maintenance of the rink, along with the direct staffing costs and high utility charges means the rink is estimated to only generate a small direct surplus despite the high income generated.
- 3.16 The success of the ice rink at the Spectrum can be attributed to the rink being part of a much larger complex which is a day out tourism destination that attracts visitors from a wide area. This is assisted by the location of Guildford with good transports links and a very large catchment population within a relatively short travel time. This is reflected at Guilford with the tourist customer making up over 50% of the ice rink customer base, with primarily other users drawn from the ice training school, events such as the annual pantomime and ice skating members.

### Case study 3: Uttoxeter Cinebowl

- 3.17 A further example of an ice rink as part leisure hub is the Uttoxeter Cinebowl - is skate which was identified (in the National Ice Skating Association of GB and NI – Strategic Plan 2014-2018) as one of only four ice rinks to be built in the country between 2009-2013. As the name suggests the Uttoxeter complex comprises an ice rink, cinema and ten-pin bowling. This facility is part of a chain of commercial leisure facilities operated by Planet Ice. Their other current sites include Basingstoke, Coventry, Gosport, Hemel Hempstead, Milton Keynes and Peterborough. Not all of these sites are part of leisure hubs and do include standalone ice rink facilities.

## STANDALONE ICE RINKS – AVAILABILITY OF SUITABLE SITES

### Case study 4: Cambridge Ice Rink

- 3.18 Ice rinks require a significant area of land to not only locate the main building but also ancillary provision such as parking, which impacts upon the viability of the facility. Brighton & Hove is limited in terms of available of suitable sites and a comparison can be made with the long term ambition for a new ice rink in the city of Cambridge.

- 3.19 In 1993 the former captain of the Cambridge University Ice Hockey team bequeathed £1m to Cambridge University for a new ice rink in the city. The capital growth of this bequest and other donations has enabled a fund of £3m to be achieved by the Cambridge Leisure and Ice Centre charitable trust towards a total cost of £5m for the facility. Following a 22 year search by the Cambridge Leisure and Ice Centre charitable trust, a site has been identified adjacent to a park and ride facility. Planning permission has been granted and the aim is for the facility to be open next year. No public funding is being provided for this project and the Trust are seeking a bank loan to cover the balance of the capital required. The cost of the bank loan and rent for the lease of the land is to be met by a predicted annual revenue surplus which would also provide a return for an operator.
- 3.20 Therefore, even with substantial capital funding identifying a suitable site can still be a significant challenge.

#### **4. POTENTIAL NEXT STEPS**

##### SOFT MARKET TESTING

- 4.1 Elected members are requested to agree for the council to initiate a four month period of soft market testing. If the soft market testing shows there is the possibility of a viable ice rink, then the information gained will help inform the next steps to seek an ice rink for the city – built and run at no cost to the council.
- 4.2 An informal prior information notice will be published in the Official Journal of the European Union as part of this soft market testing process. However, it should be highlighted that by publishing this prior information notice there is no guarantee that any tender process will follow this soft market testing stage. Once the soft market testing has been completed, any information provided by the market will be collated and assessed prior to a decision being made on the best course of action. While the council does not have a site for an ice rink, we would work with developers to see if potentially suitable sites can be identified in the city.

#### **5. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 5.1 The council's Indoor Sports Facilities Plan 2012-22 identified the provision of a new large multi-purpose sports centre to replace the current range of "wet and dry" provision at the King Alfred as the highest indoor sports priority for the council, rather than other forms of sports provision such as an ice rink. The council is therefore prioritising resources (including land, finance and staff) to achieve the King Alfred redevelopment and consequently such resources have not been identified to provide an ice rink in the city.

#### **6. COMMUNITY ENGAGEMENT & CONSULTATION**

- 6.1 The consultation for the Indoor Sports Facilities Plan did show levels of demand for a permanent ice rink in the city. However, at that time the project at Black

Rock to provide an ice rink was still live and therefore no further action was proposed.

## **7. CONCLUSION**

- 7.1 As the previous consultation and the recent petition demonstrate there is clearly a core of interest in a permanent ice rink being provided in the city. However, as the above case studies illustrate, significant resources are required, particularly in terms of funding and a suitable site to achieve such a facility.
- 7.2 As the council has limited resources and a range of other priorities, a soft market testing exercise will identify whether a development partner can be identified who is able to bring such resources to a project for a new ice rink in the city.

## **8. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 8.1 These are contained in the main body of the report and highlight the significant private investment that would be required for the provision of an ice rink in the city.
- 8.2 Resources for the council would be limited to officer time in undertaking the soft market testing and this would be met from within existing budgets.

*Finance Officer Consulted: Name Mike Bentley Date: 26/05/16*

### Legal Implications:

- 8.3 Any decision to work with a developer as partner in the provision of an ice rink would be governed by a formal agreement evidencing agreed terms.
- 8.4 The provision of an ice rink would require planning permission. The City Plan Part One does not identify any sites for ice rink provision but does confirm that detailed assessments for specific sports facility types will be carried out. Should these assessments identify the need for an ice rink the City Plan Part Two could allocate a site for an ice rink or, alternatively, leave any planning application for the same to be assessed against its more general community facilities policies.
- 8.5 It is not considered that any adverse human rights implications arise from the recommendations in the report.

*Lawyer Consulted: Name Hilary Woodward Date: 23/5/16*

### Equalities Implications:

- 8.6 The expectation is that if an ice rink can be achieved, a wide range of users would be attracted from across the community to achieve a viable facility.

Sustainability Implications:

- 8.7 Not surprisingly due to the nature of the facility, ice rinks are high energy users to achieve the necessary refrigeration requirements. However, energy efficiency has improved as the design of such rinks has developed, and any developer would need to have as efficient a facility as to possible to achieve both environmental and economic sustainability.

Any Other Significant Implications:

- 8.8 None

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. None

### **Documents in Members' Rooms**

1. None

### **Background Documents**

1. National Ice Skating Association of GB and NI – Strategic Plan 2014-2018
2. Indoor Sports Facilities Plan 2012-22