



Northern Ireland
Assembly

**COMMITTEE FOR
CULTURE, ARTS AND LEISURE**

**OFFICIAL REPORT
(Hansard)**

**Departmental Briefing on Stadium
Development**

30 September 2010

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Barry McElduff (Chairperson)
Mr Declan O'Loan (Deputy Chairperson)
Lord Browne
Mr Thomas Burns
Mr Billy Leonard
Mr Kieran McCarthy
Mr Raymond McCartney
Mr David McClarty
Miss Michelle McIlveen
Mr Ken Robinson

Witnesses:

Mr Edgar Jardine) Department of Culture, Arts and Leisure
Mr Colin Watson)
Mr Nick Harkness) Sport Northern Ireland

The Chairperson (Mr McElduff):

I invite representatives from the Department and Sport NI to the table. They are led by Edgar Jardine, the Department's deputy secretary. He is accompanied by Colin Watson, head of DCAL's sports branch, and Nick Harkness, director of participation and facilities at Sport NI. Edgar will make an opening statement.

Mr Edgar Jardine (Department of Culture, Arts and Leisure):

This will be a brief introduction because you have a briefing paper from the Department. I welcome the opportunity to update the Committee on where we are on the policy on regional stadium development. Members will be familiar with the background, since we, along with the Minister, briefed the Committee in February. Today, I will bring you up to date on where we are, as of this week.

The Committee will recognise that the need for investment in stadiums has been well publicised. All our main sports — football, Gaelic games and rugby — need to be brought up to acceptable levels. That is something that the Executive recognised when it noted, in June 2009, the proposal to take forward an outline business case (OBC). The indications at that stage were that we should work within a funding envelope of about £110 million. That was and is subject to the usual budgetary processes.

A significant amount of work has been undertaken since then. You will recall that we started from a position in which the sports were asked to identify to the Department what they saw as their strategic stadium needs. Members will note from the briefing provided to them that the sports put forward options, which were specific to their own codes. Each of the sports identified development within their own areas.

Through colleagues in Sport NI, we appointed consultants to undertake the outline business case, and that examined not only the sports' preferred options but a number of variations around those. The work was managed by an oversight group, which I chaired. It had representation from Sport NI, the Strategic Investment Board, the Department for Social Development and Belfast City Council.

The consultants have finalised the outline business case. The first of its broad outcomes is that it is the intention to redevelop Windsor Park and to increase its capacity from its existing capacity of 13,500 to 18,000 spectators. That would involve a significant refurbishment of the north and west stands and the total redevelopment of the east and south stands. The option includes provision for premium seating, with targets of up to 5,000 but likely to be rather fewer; big screens; and improved access to the new stadium via the Boucher Road.

For Gaelic games, the plan would involve demolishing the Casement Park stadium and building, on the same site, a new stadium, which, in contrast to the existing 32,300 capacity, would accommodate maximum spectator capacity of 40,000. The new Casement Park stadium would have 80% covered seating and would include about 2,000 premium seats, 580 corporate seats and car parking facilities.

Ulster Rugby has already built, and is operating, a new stand at Ravenhill. The combined capacity of the ground at the moment is about 11,700. As a result of the new stand, Ravenhill lost about 600 seats. It previously had over 12,000. The new stand, which was opened around this time last year, includes 20 boxes and 532 premium seats. The current OBC recommends that they develop the remaining three sides of the stadium, which would bring spectator capacity to 15,000. The provision for boxes and premium seating will remain as provided in the phase of the building already completed.

The Department has been working on the OBC since mid-summer, and we examined it in considerable detail in order to make an informed judgement on the way forward. We required clarification on some aspects. That has been received from the governing bodies through Sport NI, and we are in the final stages in advance of putting the OBC to the Department of Finance and Personnel (DFP).

We expect the Minister to advise Executive colleagues in the near future about where we are with the process and undertake to return to them when we hear from DFP. Clearly, the comprehensive spending review (CSR) will be an important influence on the affordability of the proposals. The outline business case is principally looking at the value for money of the different options. That is a piece of work in its own right. The issue of affordability, depending on the outcome of the assessment of the business case, will rest with the CSR.

Bringing proposals on regional stadium development for three major facilities to this stage has, by necessity, been a complex and time-consuming process. It is, however, one of the key sporting commitments facing the Department, and it is fundamental to the stability and future success of the three sports. My colleagues and I will be happy to take members' questions.

The Chairperson:

Thank you. When, exactly, will the Minister of Culture, Arts and Leisure sign off on the proposal and pass it to the Finance Minister, and when can we reasonably expect it to be before the Executive?

Mr Jardine:

We expect the Minister to sign off within a few days. We are at the end of that process at the moment. This is a £100 million to £120 million project overall, so, clearly, DFP will want to go through it with a fine-tooth comb. We expect DFP to take six to eight weeks for that. We envisage a paper going to the Executive probably in October to report on where we are with the business case and so on. After that, the issue is the outcome of the CSR and where this capital programme is in relation to others in our own Department and elsewhere.

The Chairperson:

You said that the CSR is an important influence on affordability. Will you explain that?

Mr Jardine:

The CSR rules on capital are that we start from a zero base. Therefore, we have to make our case for the DCAL capital programme alongside other Departments. We regard the stadium work as being right up at the top of our capital programme. We have committed to it, should the money be available. As I said, how that capital block of resources is divided among Departments will be an Executive decision.

Mr McCarthy:

You are very welcome. My question concerns the outline business case. The consultants, FGS McClure Watters, were awarded the contract to appraise the governing bodies' options on stadium development. The deadline for completion was 27 November 2009. In February 2009, former Minister Campbell told the Committee that consultancy fees would be £70,000. The consultancy exercise was complex and time-consuming. Can you tell us the date when the business case was finalised? Did fees inflate because of the extra time that was required, and, if so, by how much?

Mr Jardine:

I will bring Nick in on that issue. I just want to say that, during that exercise, we extended it in order to look more particularly at a further range of stadium options for each sport.

Mr Nick Harkness (Sport NI):

The consultants have stuck to the original contract sum for the work that they were originally commissioned to do. As Edgar, quite rightly, says, the stakeholder group commissioned other work to look at other two-sport options. That incurred additional costs, inclusive of VAT, of almost £20,000.

Mr McCarthy:

When was that finalised? We hoped that it would be in November 2009. How long did it run?

Mr Harkness:

We have been through a number of drafts. The first draft of the OBC was submitted to Sport NI in November 2009, the second in December and the third in February. That was shared with the stakeholder group. In May, it asked for additional models to be included. In June 2010, a final draft was submitted to Sport NI. Therefore, it has been through a number of iterations. On submission, further information was sought. The Department asked Sport NI to clarify other matters with the governing bodies, which we did. Since the final draft was submitted, responses to those queries have also been submitted to the Department.

Mr O'Loan:

At the outset, I want to say that I regret very much that we are not discussing a single stadium at the Maze site. That would have been a much more preferable solution as regards economic arguments and social outcomes. However, we are where we are. We must make the best of a suboptimal situation.

With regard to the £110 million that is being discussed for the three stadia, what, at present, is your best estimate of the indicative timescale for when that money will be needed? That is extremely important. Given that there has been a high level of commitment to the overall project

of providing stadia for the three major sports, is that project regarded as an unavoidable pressure, which it ought to be? Is that the sense that you get from your Department and the Executive?

Mr Jardine:

I can speak for our Department. It is at the top of our priority list for capital spend. Clearly, work is ongoing. For example, there is the 50 m pool in Bangor and the Metropolitan Arts Centre, for which there are contractual commitments. That work will have to be completed. After those contractual commitments, the stadiums are high priority. I cannot speak for the Executive. That decision will be taken some time in the future. However, I can confirm that it is high priority for our Department.

Mr O'Loan:

When will that money be needed?

Mr Jardine:

Sorry. I missed the first part of your question. It will be needed over the CSR period. I suspect that the need will ramp up during years 2, 3 and 4 of the CSR period. Considerable planning, design work, and so on has to be undertaken. The three sports are at different stages. Ulster Rugby has already sought planning permission. The GAA has done considerable design work on Casement Park. Ulster Rugby will probably be able to move reasonably quickly. Larger projects, such as Casement Park, will probably take a bit longer.

Mr O'Loan:

I am still on my first question. That needs to be probed. You are making a bid for capital funds over a four-year Budget round. Surely you must be able to apportion figures to each year in your bid. I am asking you for those figures.

Mr Jardine:

I do not have those figures with me. We are looking at this as a package at present. When we have clearance from the Executive, more detailed work will be done on how that is phased. I suspect that there will not be a huge amount needed in the first year; it will ramp up over the four years of the comprehensive spending review.

Mr O'Loan:

Will you come back to the Committee with those figures at your earliest convenience?

Mr Jardine:

Yes. They will probably be fairly broad figures at this stage.

Mr O'Loan:

I understand that.

The Chairperson:

I wonder whether the Committee Clerk can help us.

The Committee Clerk:

In the members' pack there is a summary of the bid for the stadia development. On page 2, there is an analysis of that for Budget 2010. We will provide a copy to Mr Jardine.

Mr Jardine:

The broad timing is as follows: development at Windsor Park will probably take 24 months; Casement Park, about 30 months; and Ravenhill Park will be phased over a similar period.

Mr O'Loan:

When, roughly, will that start?

Mr Jardine:

Ravenhill Park is probably ahead of the game as planning permission has been applied for, and its case is a bit more straightforward than those of the others. Casement Park is complex exercise; it is a demolition followed by a significant rebuild. Football provision lies somewhere in between the two, because it requires two refurbishments and two new stands.

Mr O'Loan:

Rather than peruse the documents now, I am content if Mr Jardine comes back to us with the

figures for the four years.

The Chairperson:

Thank you for that.

Mr O'Loan:

My second question is as follows. The GAA has invested considerable sums in recent years, and will doubtless do the same on this occasion. Can you confirm whether that will be replicated across the other sports?

Mr Jardine:

We want to put the details of the individual sports and the costs in front of the Executive before we put them into the public domain. Therefore, I am not in a position to give you that detail.

Mr O'Loan:

I have one more question. It is fair to say that the Irish Football Association (IFA) has shown itself to be dysfunctional in its management and governance, and we know that the Minister is concerned about that. Has the Department not made a major tactical error in conveying the message that the three stadia projects will advance simultaneously? That allows the IFA to determine the speed of the action. Would it not have been better to say that the capital train is leaving and use that as a lever to put pressure on the IFA to modernise?

Mr Jardine:

The member is right. The Minister is concerned and frustrated about the length of time that this has taken. Back at the beginning of July, he made that clear to the IFA, in the wake of the report into the dismissal of Howard Wells, which showed that a very significant amount of money had been spent in the face of legal advice. The Minister asked at that stage that the IFA move on two issues. First, he felt that it would be difficult for him to allocate money to the association while the people responsible for that particular problem remained in post. Secondly, he asked for a fairly radical independent review. It would be fair to say that the Minister is quite frustrated that, in the three months that have passed, there has been very little progress. The Minister's position remains as it was at the beginning of July, which is that those two things have to happen.

At the moment, we are committed by the Executive to take this forward as a package, and that is what we are doing. The Minister feels that it is important that the IFA takes the necessary steps to get its house in order. He also believes that the Department and Government cannot wait forever for that to happen.

Mr O'Loan:

The Committee will welcome the frankness of your answer and information but will also be concerned to hear that position.

Mr K Robinson:

I thank the witnesses for coming along. Edgar Jardine is bearing the brunt of members' questions, so may I tease out another point. Up to now, we have been talking about public moneys. I am almost beginning to detect a can-do approach, which is very welcome, given some of the places that we have been over past years. What percentage of the total cost will the three governing bodies need to provide for the development of their own stadia? Given current budget cuts, does the Department anticipate that they will fulfil any commitment that they have made or would be expected to make?

Mr Jardine:

I reiterate what I said to Mr O'Loan: I am not in a position to get into the details of contributions from the different sports. From the beginning, however, we made it clear that there would be a requirement on governing bodies to make a clear contribution. That remains the case. We have tested the business case on that quite thoroughly and believe that they should be able to deliver on the commitments that they have made.

Mr K Robinson:

Because the Committee has had changes in membership, it is worth stating that some of us who have been on the Committee for a while have visited the three stadia, and it is pretty obvious that they are all past their sell-by date and are no longer fit for purpose in the modern era. The Committee wants to see this process move on and would like to send out that message to all the people engaged. Let us get on, get it done, and get it done properly and as quickly as possible.

Mr Jardine:

Thank you.

Miss McIlveen:

Most of what I was going to say has been covered in earlier questions. I am disappointed in what has happened with the IFA. In light of the independent review report, what is the current position in respect of the association's president and vice-president?

Mr Jardine:

The position is uncertain. I understand that the vice-chairman has resigned and that there will be a meeting of the council around mid-October to appoint a new person to that post and to the post of treasurer. I understand that the president has not yet resigned.

Miss McIlveen:

How is the lack of movement or uncertainty in the organisation affecting plans to move forward?

Mr Jardine:

It affects the organisation quite seriously. The Minister made it clear in July that he expected action. He is also concerned that the review has not moved at the pace that he, rightly, expected, and I believe that that is a destabilising factor.

Miss McIlveen:

Is a date anticipated for the completion of that review?

Mr Jardine:

I understand that the panel of people who will undertake that review is being assembled, and the Minister has indicated clearly that he wants that review to be undertaken as quickly as possible. Realistically, I think that that will take months rather than weeks.

Miss McIlveen:

We are working with deadlines in relation to the CSR, budgets and so on; is there not some

urgency? If there is, has that been relayed to the IFA?

Mr Jardine:

It certainly has been relayed by the Minister and others.

Mr Leonard:

Welcome, gentlemen. I have two main concerns. You used the term zero base, and, after the difficulties — some may call it the shambles — of the way in which the matter was handled, is it not an absolute disgrace that, having given up £110 million, we start back at point zero? Has there been, or will there be, any allowance made for the fact that there were funds, albeit in a different scenario, which were surrendered? Does that carry any kudos in relation to getting the money in these difficult times?

My second concern is that you used the term “value for money”. The devil is always in the detail. Do you mean value for money in respect of the three codes together or of each as a stand-alone organisation? We have referred to the IFA. We do not want to all hit at one organisation in case some people think that it is a hit on another organisation and not a favourite one. That is not the issue at all. The three codes need to move forward, but there may not be value for money from the IFA scheme because of its poor situation and perhaps its ability to deliver the money. You have refused twice to talk about the proportions of money that the codes will contribute. I am sure that it will not be third time lucky if I ask you again. The bottom line is whether there is a real possibility that, because of poor management and/or input, one code will hold up the other two. My impression is that the GAA and IRFU will be on the money and will be pushing ahead. We cannot have three falling because one falls.

Mr Jardine:

I will talk about the money and Nick will pick up on the value for money point. In June of last year, the Executive gave us the agreement to go ahead with the outline business case within the £110 million envelope. That is where we are. However, there was always the recognition that that would go through the normal budgetary process. DFP, in managing the Budget going forward, has decided that all the money that was in the second phase of the investment strategy for Northern Ireland (ISNI) is wiped out, and we all start from square one. It is possible that we

hold some sort of leverage by the fact that the money was there for us before. However, in this very tight CSR situation, we cannot take anything for granted. We will certainly make our case, and our Minister will make his case very strongly.

Mr Harkness:

The outline business case looks at each of the projects independently in relation to the revenue flows and costs and the ability of the three organisations to contribute. That value for money issue is assessed independently in each of the three.

Mr Leonard:

That is vital for the organisations and public knowledge and consumption. Can we take it that there is an absolute guarantee here this morning that two codes will not be held back because of one? I am not going down the road of which one. If each can press ahead, will they get the go-ahead?

Mr Jardine:

I am not sure that that is exactly what we are saying. Each of the stadiums had to meet three criteria. First, they had to show that they were sustainable. Secondly, they had to show that they could contribute to a sinking fund, which is a maintenance and refurbishment fund. Thirdly, they had to show that they will put money back into the sports. All three met those criteria.

Going back to my previous answer, we are, with Executive agreement, working on a package that will move forward with the three codes together. We hope and anticipate that the IFA will be in a position to allocate funds to the project. If that is not the case, it will be up to the Executive to decide how to deal with that.

Mr Leonard:

So it is not an absolute guarantee here this morning —

Mr Jardine:

It is not an absolute guarantee.

Mr Leonard:

Therefore, the bottom line is that an argument will still have to be pitched so that, if one falls behind, the other disciplines can move —

Mr Jardine:

We will have to take stock.

Mr Leonard:

Are you saying that there is any flexibility in the package; that two of the three can go ahead?

Mr Jardine:

What I am saying is that I am working within the direction from the Executive on what we have the approval to take forward as a package. If that were to be reopened, we would have to go back to the Executive.

Mr Leonard:

That has a very important effect on confidence in the project. I appreciate that you have to tell it as you see it, but that rings a little alarm bell for me. The “nothing agreed until everything agreed” principle is grand in one context, but I imagine that two sporting disciplines will be more than slightly concerned.

The Chairperson:

Thomas Burns was to ask the next question, but, with his indulgence, I will allow a supplementary question from Raymond.

Mr McCartney:

You said earlier that the Minister was frustrated — we have heard him say that on the airwaves — but you indicated that he said that he could not wait forever. How will that be translated?

Mr Jardine:

We will have to see how that works out.

Mr McCartney:

Yes; but that is an indication that he feels that one sport cannot hold two back forever.

Mr McClarty:

In answer to Michelle's question, Edgar said his understanding was that the vice-president of the IFA had resigned. Edgar, why can you not say definitively that he has resigned?

The Chairperson:

When is a related supplementary question not a related supplementary question? *[Laughter.]*

Mr Jardine:

We sometimes get accused of interfering in the affairs of the IFA, and I do not want to give the impression that that is what we are doing. The Minister clearly has an onerous responsibility as regards the scale of these resources. He must ensure that, when public funding is being awarded to any body, it is fit for purpose, and that is in our particular interest. We will work with the organisation through Sport NI as and when it is fit for purpose, but I cannot be definitive about the activities of the president or the vice-president.

The Chairperson:

I am going to allow Thomas to ask his question. I cannot ignore Thomas again, Michelle. *[Laughter.]*

Mr Burns:

Go on ahead.

The Chairperson:

He is a gentleman. He played very well in a recent football match at the Stormont Pavilion.

Miss McIlveen:

So, is there uncertainty about the resignation of the president?

Mr Jardine:

I believe so.

Mr Burns:

I agree with the line of questioning and what is being teased out here today, but the greater image of Northern Ireland and its government is that we are trying to build and improve our sports facilities. We have scrapped the idea of building a multi-purpose stadium where all sports could fit in, and we are now at the stage where we have to wait for all three to go together. How long are we going to wait before money gets too tight?

The Committee is trying to press the point that it really wants to see these projects go ahead. We are very concerned that one sport could hold up all of them. If one has to wait, one has to wait, but it really and truly is ridiculous that one sport is holding the other two back. There must be a commitment to go ahead with the other stadiums. I cannot stress that point enough; a line has to be drawn in the sand and a time limit given for you to come back to the Committee with a much stronger idea of proposed start dates. Our construction industry is on its knees, and these are construction jobs that need to start. We cannot delay any longer.

Mr Jardine:

I do not think that they are being delayed at the moment, frankly, because we are still working through the process and we need approval from DFP. We need Executive agreement and we need the money. However, a lot of work has been ongoing at risk, particularly with GAA and Ulster Rugby, in preparation for the start. Nick can tell us how long procurement and planning permission will take.

I am grateful for the little note about the profile of the spend. That is effectively £15 million in 2011-12, £55 million in 2012-13, £55 million in 2013-14 and £35 million in 2014-15. Therefore, it spans the whole CSR period.

Mr Harkness:

When the decision is made, full plans will need to be worked up and full planning permission obtained for each of the projects. Full business plans, which are indicatively positive at the

moment, will also need to be worked up for each project to test their operational viability.

As the projects are large, they will need to go through a European Union procurement exercise, and the conditions of award and legal agreements associated with some of the complexities at the grounds must also be sorted out. As Edgar said, some sports moved at risk, but others may take six to 12 months from the decision being taken to the point when anything could happen on the ground.

Mr Burns:

In the budgetary figures that we seem to be spending so much time on, it seems that once we commit to the projects the money will be there to complete them.

Mr Jardine:

I would put it the other way round and say that when the money is committed the projects will go ahead.

Lord Browne:

I give a cautious welcome to the plans, because the sports fans of Northern Ireland have had to wait far too long to have fit-for-purpose stadia. In February 2010, the consultants FSG McClure Watters considered a range of options, among which was the plan to develop the Blanchflower Park playing fields, which I thought had vision. It was an exciting project, which involved the use of public money, the private sector and local government. I am sorry to use the pun, but is that project now off the playing field?

Mr Jardine:

One of the reasons why the Department extended its work with the consultants was to look in detail at the proposals for that site and at a more theoretical two-sport option. Both options were tested against the criteria that brought us from the long list to the shortlist. However, for a variety of reasons, neither of the options made the shortlist.

Members will appreciate that one of the underlying premises of government intervention in the stadium development is to meet the strategic needs of the three sports, and it follows that the

buy-in of the individual sports is critical to the success of the project. For a variety of reasons, neither Ulster Rugby nor the Irish Football Association were prepared to commit to a two-sport option, so the Blanchflower Park proposal did not make it beyond the long list. However, it was considered.

Lord Browne:

I am disappointed that two sports could not come together, because that seems to be the way forward with the use of 4G pitches and so on.

We must think of the development of sports, and I am thinking particularly of soccer and the safety at sports grounds legislation. Will the money be available for clubs to develop? I am thinking of clubs such as Glentoran, Portadown, Donegal Celtic, Larne —

Mr Leonard:

Coleraine.

Lord Browne:

Yes, and Coleraine. I would not like to think that the sports safety programme would be affected by the cuts in capital spending. Safety is a priority.

Mr Jardine:

The Minister recognises the need for wider sub-regional development, and he made some provision for that in his bids. It will all depend on what the fallout is from the comprehensive spending review, but the Department recognises the safety aspect.

The Chairperson:

I thank Edgar, Colin and Nick for their presentation.