

**Report title: Bristol Arena- Selection of Operator Model**

Wards affected: Lawrence Hill, Windmill Hill, and City Wide  
Strategic Director: Neil Taylor  
Report Author: Stuart Woods

**RECOMMENDATION for the Mayor's approval:**

1. **Selection of the Operator Lease model approach for the procurement of the Arena Operator.**

**Key background / detail:**

a. Purpose of report: This report is to update the Mayor and Cabinet on progress on the Arena project, and also to seek approval to adopt the Operator lease model for the procurement of the Arena Operator.

b. Key details:

1. The draft Outline Business Case (OBC) has now been produced, and its key content shared with Party Group Leads and Cabinet. The OBC sets out the capital cost of the project, income streams, and identifies a funding shortfall. These will be covered separately as part of the Budget paper going to Cabinet in January and full Council in February 2014.
2. The Council needs to find an Operator for the venue. The OBC looks at a number of possible approaches, primarily the Operator Lease, Management Agreement, and Joint Venture/Arms- Length structure.
3. These models were evaluated using a 60% Financial/ 40% Qualitative split and a number of factors including deliverability, risk, community benefits, and alignment with the Council's objectives. Overall the Operator lease scored highest, followed by the Management Agreement. The Qualitative evaluation criteria were revised by the consultants on instruction by the Mayor and Strategic Director. As a result the Operator Lease model is still slightly ahead, although the two are virtually level. The Consultants and Project Team recommend the Operator lease model. This is because it transfers operational risk to the Operator and provides the Council with a confirmed funding stream at an early stage of the project.
4. When the Council has selected the Operator model it prefers, the project team can then begin to prepare the contract documentation needed for the Operator Procurement beginning in March 2014.
5. The programme approach is based on operator procurement in March 2014, followed by a design competition to appoint a multidisciplinary design team and then building contractor procurement. The Arena is programmed to open in June 2017.

**BRISTOL CITY COUNCIL  
CABINET 5 DECEMBER 2013**

**REPORT TITLE: BRISTOL ARENA SELECTION OF OPERATOR MODEL**

**Ward(s) affected by this report: Lawrence Hill, Windmill Hill and City Wide**

**Strategic Director: Neil Taylor**

**Report author: Stuart Woods, Senior Project Manager**

**Contact telephone no. 01179 224 355  
& E-mail address: stuart.woods@bristol.gov.uk**

**Purpose of the report:**

This report is to update the Mayor and Cabinet on progress on the Arena project, to consider the options for an operator model and make a decision on the most appropriate approach.

**RECOMMENDATION for the Mayor's approval:**

- 1. Selection of the Operator Lease model approach for the procurement of the Arena Operator.**

**Key background / detail:**

1. In May 2013 Cabinet approved £250k towards project development costs for the project. This was to fund the Outline Business Case work, phase I of the Project Team recruitment and also allow the Project Team to prepare the necessary documentation to get ready to go out to procurement.
2. The draft Outline Business Case (OBC) has now been produced. It builds upon an earlier feasibility study commissioned in 2012. The OBC key content has been shared with Party Group Leads, Cabinet and Resources Scrutiny. The OBC sets out the capital cost of the project, income streams, and identifies a funding shortfall. All these will be covered separately as part of the Budget paper going to Cabinet in January and full Council in February 2014, which will seek Cabinet and Council approval to fund the project and move into project delivery. The January 2014 Cabinet paper will also cover transport issues and economic benefits in more detail, as well as any quality of life impact on residents.
3. The Council needs to find an Operator to help design and operate the venue before appointing the design team and building contractor. The OBC looks at a number of possible approaches, primarily the Operator Lease, Management Agreement, and Joint Venture/Arms-Length structure. This paper summarises the strengths and weaknesses of these approaches and recommends one particular approach as the preferred option.

4. When the Council has selected the Operator model it prefers, the project funding shortfall will be clarified further and the project team can then begin to prepare the contract documentation needed for the Operator procurement beginning in March 2014. The project team advises against going out to procurement without the full funding package in place.
5. The programme approach is based on operator procurement in March 2014, followed by the appointment of a multidisciplinary design team and then building contractor procurement. The Arena is programmed to open in June 2017.

### **The proposal:**

6. Bristol remains the only core city without an Arena. A site has been identified within the Temple Quarter Enterprise Zone (TQEZ) known as the Diesel Depot site. The Arena is a key catalyst to the development of the TQEZ in terms of spatial planning, creating jobs and generating economic growth.
7. The experience of other cities in the UK in the procurement of Arenas is that they require a significant public subsidy at the outset to enable the facility to be built. It is widely accepted however, that there are considerable economic and social benefits generated by such facilities in terms of attracting spending to the city and raising its profile. These economic benefits will be realised in the city and sub-region. The lack of an arena leaves the city without the necessary sized venue that all other major cities have to nurture local talent and evolve it into national talent.
8. The previous feasibility study and the OBC show that the Arena industry is holding up, despite the economic downturn, and that demographically there is sufficient sub-regional and regional catchment to support an Arena.
9. The preferred configuration for the Arena is horseshoe-shaped as this offers the most flexibility for future use, with a capacity of 12,000 (standing and seated) and 10,000 seated.
10. The capital cost of the Arena is calculated at £90m including off-site costs. The current commercial structure for the project is that the capital cost is partially paid for by a rental stream from the Operator and car parking income. When other income and expenditure has been taken into account, this income is equivalent to approximately £37m and this leaves an estimated funding shortfall of c£53m. It is the Council's intention to seek approval from the LEP Board to prudentially borrow this sum against future revenue from City Deal and the Economic Development Fund. Further details of funding are provided in Paragraph 29 and the financial section of this paper.

### **Operator Models**

11. The initial important commercial decision is which type of operating arrangement the Council should adopt. Four different types were explored in the OBC:
  - I. Operator lease model
  - II. Management agreement model (within this approach there are a further range of options offering various levels of risk transfer)

III. A Joint Venture approach possibly via an arms-length company

IV. In-house operation

12. **Operator lease model**- with this approach an operator takes on the operational risk of running the venue by signing up to a 25-year rental stream for a fixed annual amount, which guarantees a level of income to the council. The Council will be able to negotiate a profit share on income and naming rights above a certain threshold. The Operator takes the risk with regard to the level of income the Arena will generate. The Operator controls the content (the events and acts) and programme, and is also responsible for building lifecycle and maintenance. The Council can have limited use in/input into the programme at commercial rates.

13. **Management Agreement model**- with the standard approach the Council pays an annual management fee to the Operator, who runs the facility for the Council. The Council receives the net income generated but is also responsible for any losses incurred. The Council is also responsible for building lifecycle and maintenance. There are different types of Management Agreement; an alternative approach could be not to pay a fee to the Operator rather allow them to keep the first x% of income generated, also to pay them some kind of incentive to encourage good performance. The Council can input into the Arena programming/operation through a mechanism to be agreed with the Operator, who may be prepared to limit the Councils liability in terms of losses. Management agreements are typically 5 years in duration. The Council will need to set aside resources to manage the contract and also shape the Arena content (programming) which may have revenue support implications.

14. **Joint Venture or Arms-length structure**- The Council could find partners to help run the Arena and form a Special Purpose Vehicle (SPV) or arm's length company to operate the Arena. This solution can work when there is no market interest or when outsourcing does not offer value for money. It is particularly appropriate when the Council has some less commercial objectives and benefits in mind. Work has to be done to set up the SPV and key personnel are needed with the commercial knowledge of the Arena market to make this structure work.

15. **In-house management**- Under this approach the Council would take on the running of the Arena itself. At an early stage this model was discounted; none of the other major arenas in the country are operated in this way. Previous attempts within the City at this type of management have met with mixed success and it does not offer greater advantages than the other models.

16. The three remaining models were then reviewed in the OBC. The consultants evaluated these models on a 60% financial/40% qualitative split, and the outcome is as set out below;

<b>TABLE 1</b>	<b>Operator Lease</b>	<b>Management Agreement</b>	<b>SPV/Arms-Length</b>
Qualitative Assessment	31	28	22
Financial Assessment (Gap funding)	60	58.6	45.5
Total (%)	91	87	68
Ranking	1	2	3

17. These models were evaluated using a 60% Financial/ 40% Qualitative split and a number of factors including deliverability, risk, community benefits, and alignment with the Council's objectives. Overall the Operator lease scored highest, followed by the Management Agreement.

18. The Qualitative evaluation criteria were revised by the consultants at the request of the Mayor and Strategic Director. As a result the Operator Lease model was still slightly ahead, although the two are virtually level. The OBC is being finalised using these criteria.

<b>TABLE 2</b>	<b>Operator Lease</b>	<b>Management Agreement</b>	<b>SPV/Arms -Length</b>
Qualitative Assessment	27	28	25
Financial Assessment (Gap funding)	60	58.6	45.5
Total (%)	87	86.6	70.5
Ranking	1	2	3

19. The Lease model transfers operational risk to the Operator and provides the Council with a confirmed funding stream at an early stage of the project. The SPV/Arms -length Approach was subsequently discounted, leaving 2 options remaining.

### **Operator Lease and Management Agreement approaches**

20. This paper compares and contrasts two Operator models, the Operator Lease and the Management Agreement. The Mayor was briefed on these approaches on 24<sup>th</sup> October 2013 and asked the Project Team to further explore the potential for the Council to control and/or influence the way in which the Arena is operated under a Lease approach.

21. For both the Lease and Management Agreement models, it is possible for the Council to:

- I. shape the procurement process and set the selection criteria for the operating partner according to the principles most important to the Council/ achieving its objectives
- II. ask for specific proposals relating to any key items/objectives that are important to the Council (e.g. maximising community use or variety of programming)
- III. influence the legal contract with the selected partner
- IV. maximise the market response through a competitive process

22. Both approaches allow the Council to achieve our objectives and benefits for the project.

23. Both approaches enable the Council to realise the Project Vision for the Arena.

24. In terms of Soft Market Testing, there is strong operator interest in both options for Bristol. In the UK, there is always a strong market interest in a Management Agreement (as operators are paid for their services at minimal risk). It is less common to have such a strong interest in a lease, because the Operators are taking the risk and only do so in strong markets/ attractive projects.

25. It is possible for the Council to go out to Operator procurement for both an Operator Lease and Management Agreement, although this will mean a more complex procurement and evaluation process, and additional work for Bidders. For these reasons this approach is not recommended.

26. The key differences between each model are set out below (see also Appendix 1).

### **Operator Lease**

- I. The principle difference between the two models is that under a Lease, the Operator takes on full risk and responsibility for the building and its operation, under a Management Agreement, the Council (typically) retains the building and operating risk. It should be noted that under the Operator Lease scenario, once the contract is signed, the sums are guaranteed to the Council. In addition, the Council may benefit from super profit under the terms of the lease.
- II. It should be noted that whilst it is possible to negotiate on all lease terms, any restrictions on operation or the perception of increased risk allocated to the operator (through control) may have a commercial/financial implication. The current rental projections assume no unreasonable controls, however, this can be explored and minimised through the competitive process.
- III. The Council would seek to include clauses in the contract giving us access to the programme with sufficient notice and the ability to hire/rent the facility at a rate set out in the contract. One other option could be to procure via operator lease as base bid with a community based lease variant, though the detail of this has not yet been worked up.
- IV. Officers briefing the Mayor on 13<sup>th</sup> November on programming to establish a clearer picture of what the Council might want to achieve at the facility and what would be required to achieve this.

### **Management Agreement**

- V. If the Council is seeking a significant influence on the day to day running of the Arena, this could only be achieved through a Management Agreement (with the Council taking the operating risk on this). Under the Management Agreement, the annual income will differ year on year, dependent upon the arena's operational performance, it is unlikely to be guaranteed at any stage of the contract term. A Partnership Board would be able to input on Programme content.
- VI. Within the Management Agreement option there are varying approaches, two of which are described in the table in Appendix I. There may be an impact on the Programme if the Council cannot decide what type of Management Agreement it prefers, or if it takes longer to negotiate with Operators.

### **Risk Transfer**

27. The Lease approach offers the best risk transfer for the Council and is lower risk. This is because operational risk is passed on to the Operator. This is particularly relevant

in the case of competing facilities. For example, if Cardiff decided to go ahead with an Arena any impact on revenue for the Bristol Arena is absorbed by the Operator. Cardiff Council has recently published a Prior Information Notice seeking interest in an Arena. The Financial Section of this paper includes a sensitivity analysis of what the operational impact of this might be if both venues were operating at the same time.

28. In addition to this, under the Management Agreement BCC will need to take on maintenance and lifecycle responsibilities which it would not have to take on via the Lease approach.

## Funding implications

29. The impact of the differing approaches on the project shortfall is as follows;

<b>TABLE 3</b>	<b>Operator (£000)</b>	<b>Lease</b>	<b>Management Agreement (£000)</b>
Total project cost		86,993	86,993
FF &E		3,822	3,822
Pre-opening costs		0	1,286
<b>TOTAL</b>		<b>90,815</b>	<b>92,101</b>
Financed by:			
Lease/Income and Car Park Income total		34,041	43,650
FF & E		3,822	0
<b>Shortfall</b>		<b>52,952</b>	<b>48,451</b>

30. The figures presented in the table above do not take into account any adjustments for risk, which would impact the Management Agreement significantly more than the Lease. This exercise was undertaken as part of the OBC process.

## Recommendation(s) / steer sought:

The recommendation is to proceed with the Operator Lease model. This may offer less control over programming and content for the Arena but it is less risky for the Council and provides a vital source of income to the project at a relatively early stage of the procurement.

## Consultation and scrutiny input:

Resources Scrutiny discussed the project on 18<sup>th</sup> October, and the project is an Agenda Item for 13<sup>th</sup> December 2013.

### a. Internal consultation:

During the Outline Business Case preparation a number of individuals were contacted for their views on the project:

George Ferguson	Mayor
Colleen Bevan	Service Manager, Environment and Leisure
Peter Holt	Director of Communications and Marketing
Alistair Cox	Service Manager, City Transport
Richard Holden	Strategic Planning

Richard Matthews Strategic Planning  
 Hywel Evans Technical Investment Manager  
 Alun Owen Service Director, Major Projects  
 Jack Allan Economic Development  
 Cllr Simon Cook Executive Member for Capital Projects  
 Stephen Hilton Programme Leader, Connecting Bristol

**b. External consultation:**

During the OBC process a number of external parties were contacted for their views on the project:

James Durie Director, Bristol Chamber of Commerce  
 Andrew Kelly Director, Bristol Cultural Development Partnership  
 Paul Appleby Chairman, Bristol Media  
 Matt Booth Chairman, Bristol Music Foundation  
 John Hallett Managing Director, Destination Bristol  
 Peter Holloway Area Manager, Homes and Communities Agency  
 Music Promoters (Confidential)  
 Arena Operators (Confidential)  
 Kirsten Durie Property, Network Rail

**Other options considered:**

There is a “do-nothing” scenario whereby the Council does not choose to select an operator model. The advice of the Project Team is that the Council should not develop the project further without appointing an operator to help design and operate the facility.

The Council could choose to delay its decision on the Operator model and go out to the market and ask Bidders to bid back on both types of contract. However, this makes the procurement process more complicated, and creates extra work for Bidders. Deciding on the operator model now clarifies the commercial structure of the project and provides clarity for the Project Team in preparing the procurement documentation.

**Risk management / assessment:**

The risks associated with the implementation of an Operator Model for the Arena:							
No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (i.e. controls) and Evaluation (i.e. effectiveness of mitigation).	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	Insufficient Market interest in the Operator Model	<b>Med</b>	<b>Low</b>	Soft Market Testing for both types of model is strong	<b>Med</b>	<b>Low</b>	Project Board

The risks associated with <u>not</u> implementing the Operator Model for the Arena:							
No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (i.e. controls) and Evaluation (i.e. effectiveness of mitigation).	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	Without an Operator Model there is no Operator appointment and the project does not develop	<b>High</b>	<b>High</b>	Select Operator Model to help develop scheme	<b>Low</b>	<b>Low</b>	Project Board



2	Unable to progress operator procurement as documentation is not prepared	High	High	Select Operator Model and develop scheme.	Low	Low	Project Board
3	Cost and Funding package are not firmed up as Operator model not selected- unable to assess risks to the Council	High	High	Select Operator Model and clarify commercial position further	Low	Low	Project Board

### **Public sector equality duties:**

As this proposal is asking for Cabinet approval to select an operator Model for this project and therefore is not at the stage of looking at the actual development of the arena it is difficult to fully understand all of the equalities implications that will need to be taken into consideration. However, if approval is given with regard to selecting the Operator Model then it will be imperative that previous best practice involving design / construction are embedded in the process from the very beginning and progressed further so that it will improve the offer to equalities communities. The process needs to be transparent and have the full involvement of Equalities Stakeholders throughout the planning, construction and implementation stages of the project so that the decision making processes are robust and comply not only with current national legislation but also includes local guidance such as the Environmental Access Standard.

An Equality Impact Relevance Check is attached as Appendix II.

**Advice given by: Jane Hamill, Equalities Advisor**

**Date: 24:10:13**

### **Eco impact assessment**

Although this proposal concerns the selection of the Operator Model and has no direct significant environmental impact in itself, it is critical that whatever Operator Model is chosen, environmental criteria are embedded within the procurement process.

The development of the arena represents an opportunity to showcase environmental best practice, but also significant risks if not appropriately managed.

**Advice given by: Steve Ransom, Environmental Performance Programme Coordinator**

**Date: 24:10:13**

### ***Resource and legal implications:***

#### **Finance**

The Arena is estimated to be an £90m project. The Council will need to prudentially borrow all of this to finance the construction of the Arena. When the facility opens in 2017 car park income and Arena revenue streams will commence. The shortfall will be met by City Deal.

There are a number of scenarios relating to how the money required from City Deal could be drawn down. Two such scenarios look at payback within 7 years of the facility opening or within 15 years. Using these scenarios the cost of finance to the Council under the Operator Lease approach is £8.5m (7 years) and £14.9m (15 years) and under the Management Agreement it is £9.3m (7 years) and £14.4m (15 years). It should be noted that the Management Agreement approach is a higher risk as the Council is taking the income risk

on the facility on a yearly basis.

A sensitivity analysis of a 10% fall in venue and car park income (e.g. in the case of a drop in attendances or a competing facility such as Cardiff) would equate to £2.2m over 7 years (£314k p.a.) or £5m over 15 years (£333k p.a.). This would be a Council risk under a Management Agreement.

**a. Financial (revenue) implications:**

Assuming that City Deal Funds are available, there would be no recurring annual revenue implications for the Council Should borrowing be required, however, there are a number of potential funding scenarios and some may have a revenue impact in the short to medium term. The Council may have to fund the cost of borrowing funds in the construction period, prior to the receipt of operator fees and other income. An initial £250k project development costs were approved by Cabinet in May 2013.

**b. Financial (capital) implications:**

There are no current capital implications. .

**Advice given by** Julie-Anne Kellaway, Corporate Finance  
Mike Allen, Finance Business Partner  
IPW Financial Consultants

**Date** 24.10.13

**c. Legal implications:**

Lease Model- the Lease model is a tried and tested model with proven deliverability. It is accepted by and familiar to both operators and funders. It creates a self-sustaining, income producing long term relationship with a capital value.

The Management Agreement model- As per the Lease model the Heads of Terms are critical but less established and less familiar than in the case of the lease approach. The shorter length of the lease does appear to give the Council more control but does requires more frequent re-tendering of the contract.

**Advice given by** Eric Andrews / Solicitor, Legal Services  
DWF, Legal Advisors

**Date** 24.10.13

**d. Land / property implications:**

The Homes and Communities Agency will fund the road bridge from Cattlemarket Road and supply a fully serviced site in terms of utilities. The current assumption is that the HCA will provide the site to the Council at a nominal sum. The Council will take on the role of developer for its part of the diesel depot site.

**Advice given by** Robert Orrett, Service Director Property

**Date** 24.10.13

**e. Human resources implications:**

There are implications for the recruitment of new staff with the skills and abilities that the project will need. The Board will need to commit to a number of external consultant positions that are required within the Project Development Budget.

There are no reductions, restructuring and/or redundancy implications. The Arena is expected to create opportunities for new jobs in Bristol. This in turn provides an opportunity to champion an inclusive workplace that embraces diversity, values difference and supports the full participation of all employees and the local community.

The chosen Operator would operate the facility in the Leasing option and therefore no internal resource would be required. If the Council chooses a Management Contract approach, we will need to provide a resource to manage the contract and provide operational direction via a Partnership Board.

Further work on strategic HR planning will be actioned and monitored on a regular basis throughout the project. Operational decisions may impact on practices such as job design and training. Bristol City Council's HR policies and procedures will be followed throughout the project, which includes Trade Union consultation

**Advice given by: Sandra Farquharson, HR**  
**Date 24.10.13**

## APPENDIX I

### OPERATOR LEASE AND MANAGEMENT AGREEMENT APPROACHES

Area	Operator Lease (OL)	Management Agreement (MA)
Length of contract	Typically 25 years- this offers security of a regular income for the life of the contract and risk transfer for operational performance to the Operator. They are usually responsible for lifecycle and maintenance. The length of contract is longer than with the MA, though provisions can be made in the contract to end the lease ("opt out"), though this can be expensive.	<p>Typically 5 years in duration-the Council pays a management fee to the operator to operate the facility. More contract management is needed by the Council, who take on the operational risk of the facility.</p> <p>The Council will probably need to offer some kind of income profit share to encourage good Operator performance.</p> <p>Another approach would be not to pay a Management fee and pay the Operator direct from Arena income. The Operator could limit the Council's liability for losses.</p>
Income	Operator keeps income but pays an annual rental estimated at £1.5m. We will negotiate an appropriate profit share	Net income (or loss) goes to the Council, and is assessed via an "open-book" procedure. Overall this option produces a slightly smaller shortfall than the Lease approach.
Programming and Events	<p>Operator dictates programming and events. We could negotiate into the contract some kind of access for BCC events (for example if we had a sports events strategy) to bring events to the city- we would have first refusal on dates but they would be have to be programmed a long way ahead.</p> <p>There could be a contract clause setting out the terms and cost of hire by BCC, including compensation if appropriate</p>	The Council can input into the Arena programming/operation via whatever mechanism is agreed in the contract.

Area	Operator Lease	Management Agreement
Community Use	Due to its size and cost of opening and operation, an Arena is not an ideal venue for Community Use events. We could ask Operators to bid back on this element, but in reality any community use would not be “free” as the Operator would subtract this cost from their proposed annual rental.	This would be easier to achieve, however as yet it is unclear what type of community use the Council would want in the facility. There would be a need to subsidise these community events to ensure income levels were met as this is a Council risk via this approach.
Right to veto (naming rights, content)	The Operator would keep the proceeds from naming rights and sponsorship, though we could agree a profit share above a certain threshold. We would have the right to veto on naming rights (e.g. tobacco sponsorship). We would not be able to influence what type of acts and events the Operator brings to the venue as they are taking on the operational risk.	Much stronger control over naming rights and its income, though the Council would need commercial support on this to obtain the best deal.  The exact commercial detail of naming rights and sponsorship would be covered in the management agreement.
Partnership Working	A steering group could be established to work with the Operator.	A Partnership Board with the Council and Operator could be set up. This would require an appropriate resource from the council.
Non-contractual influences (e.g. licensing, steering group)	The Council would have an interface with the Operator via licensing and other statutory requirements. This can sometimes be beneficial as has been shown at LB Greenwich in their relationship with the O <sup>2</sup> Arena	The same influences would remain under the Management Contract

**APPENDIX II**  
**Bristol City Council Equality Impact Relevance Check**



This tool will identify the equalities relevance of a proposal, and establish whether a full Equality Impact Assessment will be required. Please read the guidance prior to completing this relevance check.

<b>What is the proposal?</b>	
Name of proposal	Bristol Arena
Please outline the proposal.	Construction of a new 12,000 capacity indoor arena on the former Diesel Depot site adjacent to Temple Meads
What will this proposal achieve?	The project objective is to fill a gap in the City's cultural infrastructure and deliver an entertainment venue to serve the City and sub-region, with considerable economic benefits.
Name of Lead Officer	SRO is Neil Taylor

<b>Could your proposal impact citizens with protected characteristics? (This includes service users and the wider community)</b>
Please outline where there may be significant opportunities or positive impacts, and for whom.
<p>The Arena will provide a number of opportunities for the citizens of Bristol and the Sub-region. All citizens will be able to access the Arena as paying customers to see entertainment acts and shows. There will also be a considerable amount of economic benefits including construction jobs, and a number of direct and indirect jobs created when the venue is open. There will be opportunities for apprenticeships and local employment.</p> <p>The building will be constructed to the latest accessibility standards ensuring access for all.</p> <p>The contract will give the Council the right to pay for Community use of the venue if it so wishes.</p>
Please outline where there may be significant negative impacts, and for whom.

Negative impacts could include inadequate numbers of wheelchair spaces being provided in the venue so disabled people may not be able to attend shows, the number of suitable disabled parking bays may be restricted due to the size of the area and the type of venue.

There may also be some indirect impacts in terms of congestion and car parking on nearby communities which could include equalities groups.

**Could your proposal impact staff with protected characteristics?  
(i.e. reduction in posts, changes to working hours or locations, changes in pay)**

Please outline where there may be significant opportunities or positive impacts, and for whom.

This is a building project with an external company operating the facility when it is open.

Please outline where there may be negative impacts, and for whom.

There are no direct impacts on BCC staff. The decision to fund the Arena will depend on a Cabinet decision to be made in the overall Budget in January 2014. (N.B. If funding is agreed it could have some indirect impacts that may not be known at this point but may need to be considered in the future)

## Is a full Equality Impact Assessment required?

Does the proposal have the potential to impact on people with protected characteristics in the following ways:

- access to or participation in a service,
- levels of representation in our workforce, or
- reducing quality of life (i.e. health, education, standard of living) ?

Please indicate yes or no. If the answer is yes then a full impact assessment must be carried out. If the answer is no, please provide a justification.

Yes

Due to the nature of the project a full EqIA will need to be completed and continually reviewed with reference to the following:

- funding report for the January 2014 Cabinet
- all procurement / commissioning activities
- all changes to proposal / project
- arena design / accessibility

### Recommendation

This EqIA Relevance Check has been signed off at this point in preparation for Cabinet, however it will need to be revisited with reference to the following bullet points. It is also important to realise that this may not be an exhaustive list and so other factors may need to be considered as the project moves forward.

- funding report for the January 2014 Cabinet
- all procurement / commissioning activities
- all changes to proposal / project
- arena design / accessibility

This EqIA has been signed off on the basis of the above recommendations.

Service Director sign-off and date:

ALISTAIR REID 24.10.13

Equalities Officer sign-off and date:

JANE HAMILL 24.10.13