

DUNDEE CITY COUNCIL

REPORT TO: Leisure and Arts Services Committee – 21 October 2002

REPORT ON: Dundee Ice Arena – Revenue Support 2002-2003

REPORT BY: Director of Leisure and Arts

REPORT NO: 744-2002

1 PURPOSE OF REPORT

- 1.1 To submit to the Committee a request for revenue funding to Dundee Ice Arena for the year 2002-2003.

2 RECOMMENDATION

- 2.1 That the Committee approves grant funding of £42,000 to Dundee Ice Arena.

3 FINANCIAL IMPLICATIONS

- 3.1 The funding recommended, as shown in the Budget at Appendix 1, is £42,000.
- 3.2 This expenditure will be met from the provision for contingencies included in the 2002/03 Revenue Budget.
- 3.3 The terms and conditions of grant will be contained within a Funding Agreement 2002-2003, between Dundee City Council and Dundee Ice Arena.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 The renewal of revenue funding for Dundee Ice Arena will ensure the continued provision of a popular leisure attraction, that local needs are met locally, and that opportunities for culture, leisure and recreation are readily available to all.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 Dundee Ice Arena's principal activity is the provision of ice sport facilities and to make them accessible to the general public. The Centre has full disabled public access and is particularly geared towards children and family groups.
- 5.2 The Funding Agreement 2002-2003 will contain requirements that Dundee Ice Arena practise equal opportunities policies in respect of its public and staff.

6 MAIN TEXT

- 6.1 Dundee Ice Arena provides ice time for all major ice sports including ice hockey, figure skating, speed skating and curling. It also provides regular facilities for public skating. Over the last 12 months 228,000 people have visited the Arena. During 2002/3 public skating numbers are likely to reduce against this figure while demand for ice time from all ice sports continues to outstrip the available hours.

- 6.2 Dundee Ice Arena is also seeking to diversify its operations with a view to maximising Arena business. A range of promotions including pop concerts are planned. The first of these events (a Concert by Liberty X) will take place on 15 October to an audience of 3,000 people.
- 6.3 Dundee Ice Arena's spectacular first 6 months of operation resulted in a surplus of £233,000 being achieved in 2000/1. In 2001/2 while still achieving over £750,000 in income, Dundee Ice Arena required to transfer £87,000 from surpluses to achieve a balanced budget. A projection for 2002/3 is provided at Appendix 1, which again shows a requirement to eat further into reserves. It is recommended that a grant of £42,000 for 2002/3 is provided to Dundee Ice Arena to support the provision of ice sports and public skating in the city.
- 6.4 Dundee City Council entered into a Management Agreement with Dundee Ice Arena in November 2000 which provided for an annual payment by the Council to Dundee Ice Arena on fulfilling various services. In 2000/2001 this provision was £55,000 for the part year September 2000 to March 2001. The agreement provided that for each year following up to 2010, payment would be determined by agreement between the parties at the beginning of each year. Due to the initial success of the Ice Arena no payments have yet been made.
- 6.5 Dundee Ice Arena is one of Dundee's premier leisure attractions, with only the Olympia Leisure Centre receiving more paid visits and it continues to make gains in achieving visits from outwith Dundee. The Organisation sustains 32 full-time job equivalents in the local community.

7 CONSULTATION

- 7.1 The Chief Executive, Director of Support Services, Director of Finance and Director of Corporate Planning have been consulted on this report and are in agreement with its contents.

8 BACKGROUND PAPERS

- 8.1 None.

Director of Leisure and Arts _____ Date _____

DUNDEE ICE ARENA

BUDGET FOR THE YEAR TO 31 MARCH 2003

ACTUAL 2000/01 (Part Year) £		ACTUAL 2001/02 £	PROJECTION 2002/03 £
	<u>Expenditure</u>		
181,001	Staff Costs	357,127	323,000
77,727	Property Costs	195,302	208,000
187,890	Supplies & Services	312,510	312,000
<u>446,618</u>	Total Expenditure	<u>864,939</u>	<u>843,000</u>
	<u>Income</u>		
506,847	Playing Income	548,556	491,000
38,035	Rental Income	62,493	63,000
9,213	Events Income	6,817	5,000
22,386	Development Income	48,549	50,000
97,128	Operations Income	97,870	114,000
6,438	Other Income	13,625	7,000
<u>680,047</u>	Total Income	<u>777,910</u>	<u>730,000</u>
<u>233,429</u>	Net Income/(Expenditure)	<u>(87,029)</u>	<u>(113,000)</u>
	<u>Appropriation:</u>		
(163,429)	Transfer (to)/from Revenue Reserve	87,029	71,000
(70,000)	Transfer (to)/from Other Reserves	-	-
-	Grant from Dundee City Council	-	<u>42,000</u>
<u>(233,429)</u>		<u>87,029</u>	<u>113,000</u>