

Subject: Improving Brighton Centre Economic Impact
Date of Meeting: 23 September 2010
Report of: Acting Director of Culture & Enterprise
Contact Officer: Name: Adam Bates Tel: 29-2600
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Key Decision: No
Wards Affected: All

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 The Brighton Centre has to compete for conferences and other events against newly constructed venues throughout the country and Europe.
- 1.2 The age of the building and much of its fabric, fittings and equipment are of an age where they are at the end of their useful life, are costly to maintain or simply do not compare to what is on offer in other venues.
- 1.3 For this reason Cabinet agreed funding of £820,000 in December 2009 from the Brighton Centre re-development reserve to maintain the economic impact of the Brighton Centre as follows: £350,000 for internal improvements; £270,000 for works to ensure the building could meet it's health and safety obligations; and £200,000 to be held for works that might come forward from the buildings condition survey of 2009.
- 1.4 During planning for these intermediate works, re-designs for the front of the Brighton Centre were considered and it is believed that these could make a significant difference to the performance of the venue to improve its current economic impact.

2. RECOMMENDATIONS:

- 2.1 That Cabinet approves an allocation of £350,000 towards these improvement works in order to deliver intermediate employment benefits to the city during the currently difficult economic climate, to be funded as indicated in paragraph 3.10 of this report.
- 2.2 That Cabinet instructs officers to review the funding strategy in the medium term financial strategy to ensure that the level of the Brighton Centre re-development reserve is adequate in future years to support the proposed development.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Brighton Centre opened in 1977 and produces around £60m of economic impact in the local area each year through the balanced programme of Conferences, Commercial Hires and Entertainments.
- 3.2 In 2007/8 the Council committed to funding a Re-Development Reserve to contribute towards any costs arising during the closure period when the new centre is being constructed and to cover part of the operating budget during the first few of operation whilst new business is being developed.
- 3.3 While it is recognised that the City requires a new Brighton Centre to secure growth and sustain the significant direct employment, it is recognised that this will take some time to deliver.. It is currently proposed that the new Centre will be constructed as part of Standard Life's major re-development scheme for Churchill Square and other adjacent land.
- 3.4 The £350k allocated in December has been or is in the process of being spent as follows:
 - 2000 new flat floor seats
 - refurbished arena seating units
 - new arena seating units
 - 1800 re-furbished balcony seats
 - New east bar catering outlet
 - New wall finish in majority of public areas
 - Re-carpeting of the balconies
 - New waste bins for sorting waste streams
 - New box office and front of building cafeteria
 - New main hall drapes
 - New soft furnishings
 - Refurbished boxes and new seating
 - New signage scheme throughout
- 3.5 This is alongside a range of other improvements to customer services, sales and marketing, cleansing and catering.
- 3.6 The outline scheme now proposed for the front of the Brighton Centre and which is attached at Appendix 1 includes the following works:
 - Remove existing main entrance doors
 - Remove existing canopy and signage scheme
 - Remove existing 'Brighton Centre' sign from roof level
 - Build new glazed front to edge of building demise
 - Introduce new doorway entry at east and west side of this new lobby
 - Introduce new flooring for revised entry
 - Replace and repair damaged front paving
 - Introduce new electronic signage scheme to east and west facing towers at building front
 - Introduce new lighting scheme to integrate new glazing into existing building features.

- 3.7 The overall effect of these changes will be to remove a dark space from in front of the building, making the whole effect of the building front much lighter and more welcoming. It will improve the existing entry and exit systems making the building operate more efficiently and reduce the impact of onshore winds on the operation of the building. It will replace the dated canopy signage system with more flexible and higher quality electronic signage. It will be more attractive to users, conference organisers and entertainment and event organisers and will increase the amount of lettable space available to organisers hiring the building.
- 3.8 The works will be subject to a Planning Application.
- 3.9 The Brighton Centre operates on a net budget of £44,000 deriving the majority of its operating costs from income. The total venue expenditure is £3,547,000. In addition the venue turns over between £5m and £7m of ticket sales each year.
- 3.10 It is proposed that the allocation of £350,000 is funded from the following sources: £100,000 from the previously allocated monies, described above, which were originally held for works emanating from the condition survey, leaving £100,000 for those works; a further £175,000 allocation from the Brighton Centre re-development reserve; and £75,000 from the £200,000 Seaside Towns grant paid by the government to the council earlier this year. One of the main aims of the Seaside Towns grant was the 'tackling of worklessness and supporting economic development' and this proposal meets these original grant aims. Proposals for the remaining sum will be presented separately to Cabinet.

4. CONSULTATION

- 4.1 Feedback is provided by each and every organiser who books the venue as well as from the many thousands of visitors who come through the venue each year. The appearance and fabric of the building is the oft-cited reason for dissatisfaction among organisers, delegates, promoters and visitors and is undoubtedly a consequence of the improving standard of other venues as well as the aging of the Brighton Centre.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The new investment is designed to retain and bring additional business to the Brighton Centre whilst it remains open prior to redevelopment. This should generate additional income which could be used to repay the contribution from the Brighton Centre re-development reserve or generate savings for the council. At the start of the year the Brighton Centre re-development reserve stood at £3.6m. Officers will need to review the funding strategy in the medium term financial strategy to ensure that the level of the Brighton Centre re-development reserve is adequate in future years to support the proposed development.

Finance Officer Consulted: Mark Ireland

Date: 04/08/10

Legal Implications:

- 5.2 There are no adverse legal implications arising from this report.

Lawyer Consulted:

Bob Bruce

Date: 03/08/10

Equalities Implications:

- 5.3 An equalities impact assessment exists for the venues. Many of the proposals contained within detailed plans for venues improvement would enhance the experience of all visitors but particularly allow us to improve the experience for those with disabilities.

Sustainability Implications:

- 5.4 The main sustainability implications are in securing future business for the venue and the city and in ensuring that local employment is maintained. In additional works planned would be able to mitigate the consumption of resources where replacement or improvement of equipment is taking place for example low energy lighting schemes, improved energy performance of new windows/doors and lowering the carbon footprint of the existing building.

Crime & Disorder Implications:

- 5.5 Sussex Police have been approached to provide input to the design given the history that the building has in hosting events which require high levels of security. There are no other crime and disorder implications arising from the proposals in this report.

Risk and Opportunity Management Implications:

- 5.6 Risk implications are improved as a consequence of this investment. Risks including unplanned closure, lost business, loss of local economic impact and local employment are all mitigated by the proposed investment. However use of £100,000 from the previously secured £200,000 for works emanating from the Condition Survey may present a future risk of these funds being sought again should any of the possible works identified be required to be undertaken. This is entirely dependent upon the condition of the building and its fabric in the future and health and safety considerations. Close monitoring and maintenance of the building will mitigate this risk.

Corporate / Citywide Implications:

- 5.7 The main corporate and citywide implications are positive in terms of economic impact and employment and confidence in the local tourism market to invest and develop. All effort will be made to procure locally. In terms of corporate implications there are resource needs from various services to support the programme of works and also the need to rebuild the Brighton centre Redevelopment Reserve.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

6.1 No alternative options have been considered. The appearance of the buildings front elevation is frequently cited as the least attractive aspect of the building.

7. REASONS FOR REPORT RECOMMENDATIONS

7.1 To sustain local employment and economic impact, to compete with other venues and destinations and to build business in the period leading up to a new venue.

SUPPORTING DOCUMENTATION

Appendices:

1. Proposed outline scheme

Documents In Members' Rooms

None

Background Documents

None

