



**URGENT REPORT TO THE LEADER
TO BE HELD ON
6 MARCH 2019**

This report has Appendices containing exempt or confidential information which is excluded from publication	Key Decision	Yes
	Cabinet Portfolio Holder	The Leader
Corporate Aims: Prosperity	Date of Decision	6 MARCH 2019
	Implementation	6 MARCH 2019

REPORT OF THE DIRECTOR (LD) - 19/058

WARDS AFFECTED: WEAPONNESS

SUBJECT: OLIVER'S MOUNT RACING

RECOMMENDATION (S):

The Leader is recommended to approve that the Council enters into a licence and associated lease with Grantroberts Ltd to stage racing at Oliver's Mount from 2019 and delegates authority to the Director (LD) in consultation with the Portfolio holder for Leisure to agree the final terms of the licence and lease.

REASON FOR RECOMMENDATION (S):

To ensure the continuation of Motor Bike Racing at Oliver's Mount with an experienced operator.

HIGHLIGHTED RISKS:

Failure to approve the recommendation could result in the end of racing at Oliver's Mount. This would have additional impact on the local economy with the Economic Benefit generated by the events at the Mount

1. INTRODUCTION

- 1.1 Oliver's Mount and associated circuit (the "Circuit") are owned by the Borough Council. The Circuit first hosted a motorcycle race in 1946. It is the only "road circuit" in England and hosted motorcycle, car rally and motorcycle and car hill climb events on an annual basis attracting riders and spectators from all over the British Isles until 2018.
- 1.2 At the present time the Council does not have an operator in place for racing from 2019 onwards.

2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN

- 2.1 Oliver's Mount relates to the following Corporate Aim:

Prosperity - Develop Sustainable Tourism which is of high quality, varied and is all year round.

3. BACKGROUND AND ISSUES

- 3.1 Until 2018, motorcycle racing and events were staged at the Circuit by Auto 66 in association with related companies headed by Peter Hillaby.
- 3.2 Mr Hillaby has now retired from motorcycle racing and his organisations have recently surrendered all interests in associated land ownerships at Oliver's Mount.

4. ASSESMENT

- 4.1 As stated earlier in this report, at the present time there is no operator confirmed for 2019 onwards. The Council has held a number of meetings with the ACU and interested persons order to rectify this situation. Throughout these discussions it has been stressed that the Council is keen to see racing return to Oliver's Mount as soon as possible. However it is of the utmost importance that prior to any racing taking place the Auto Cycle Union, which licences racing, and the Council must be satisfied that all safety recommendations issued by the ACU are fulfilled and that the Council has sufficient confidence in the experience and capability of any operator to stage such events due to their inherent risk.
- 4.2 Racing at Oliver's Mount is very popular and generates a significant amount of Economic Benefit to the Borough. In a report to Cabinet in 2016 (TW 16/259) the report highlighted the economic benefit of one days racing as follows;

Calculation of Economic Benefit to Scarborough Town Area from 1 Day Motorcycling

Estimated number of spectators – 5,000

Estimated number of those who have an overnight stay – 20%

Average day visitor spend - £21.56 per day

Average overnight stay visitor spend - £47.01 per night

Economic Benefit from Overnight Stay Visitor Spend

$20\% \times 5,000 \times £47.01 = £47,010$

Economic Benefit from Day Visitor Spend

$80\% \times 5,000 \times £21.56 \text{ per day} = £86,240$

Total Economic Benefit from Visitors = £133,250

- 4.3 Throughout the period during which racing has been suspended at Oliver's Mount the Council has received interest and offers of assistance from various persons including one group of individuals already well associated with Oliver's Mount and motorcycle racing. This group comprises Eddie Roberts, Mick Grant and Shaun Dalton. The group have also enlisted the support of others within the motorcycle racing community who have operated at the highest levels. A summary of their backgrounds and credentials is included at Appendix One to this report.
- 4.4 The group have now formed a company, Grantroberts Limited, and put forward a formal proposal to take over motorcycle racing at Oliver's Mount. Heads of Terms in relation to a proposed lease and related licence to stage events at the Circuit are attached at the confidential Appendix Two to this report.
- 4.5 The group have held discussions with the ACU, who in turn have advised Council officers that they view them as a credible potential operator.
- 4.6 The group includes a number of very experienced people within the racing circuit including
- Eddie Roberts, a former professional motorcycle racer, who, together with his business partner, turned Mallory Park Racing Circuit into a successful business.
 - Mick Grant, a former professional motorcycle racer, won the Isle of Man TT seven times and British Champion five times. He has also been a member of the ACU Road Racing Committee and managed racing teams for Honda and Suzuki.
 - Shaun Dalton, Chief Marshal from Oliver's Mount, who was the first Chief Marshal to implement ACU licensed training of marshals and medical training for all marshals. Shaun is recognised by the ACU as a qualified Marshals' Training Instructor. He has brought together a group of existing experienced marshals to support the new company in hosting events at the Circuit.
- 4.7 The group have backing from potential sponsors and a number of other bodies and have given a commitment to ensuring the course is fully compliant with the

ACU's safety recommendations. They have committed to funding an agreed schedule of works and purchases to bring the Circuit up to date.

- 4.8 They have support from a number of influential people within the racing community to ensure the continued appearance of top class racers at the Circuit.
- 4.9 They have also given a commitment to work with the local community to minimise the impact from events held at the Circuit and to offer a residents' discount on ticketing for events.
- 4.10 Subject to the Leader's approval they are ready to stage two events at Oliver's Mount in June and September 2019 to be followed by a minimum of four national level events in following years.
- 4.11 The Leader is asked to approve that the licence to hold motor cycle events at the Circuit should be given to the group. The individuals concerned have a significant standing within the motorcycle racing community, have demonstrated the relevant skills, experience and capacity to hold such events at Oliver's Mount and have the in principle support of the ACU (subject to formal track licence inspection). They are also ready to hold events in 2019 thereby minimising any harm caused to the reputation of the Circuit caused by a continued lack of racing.
- 4.12 In addition, the arrangements with Grantroberts Limited will also comprise a lease of Oliver's Mount Farm and Weaponness Farm the occupation of which will be limited to a use connected with the staging of events at the Circuit. On this basis, the Leader is requested to agree that the lease of these properties should not be subject to formal tender but can be agreed to support the continuing use of the Circuit as a successful racing venue.
- 4.13 In agreeing these proposals, the Leader is asked to note that the financial proposals will be subject to open market valuation following a set up period to allow the group to invest in the infrastructure necessary to update the Circuit and ensure compliance with ACU safety requirements.

5. IMPLICATIONS

(a) Policy

- 5.1 There are no changes in overall Council policy arising from this report

(b) Financial

- 5.2 The impact of the financial proposals are set out in the confidential Appendix Three to this report.

(c) Legal

- 5.3 The proposals contained within this report will be documented by way of a licence and associated lease.
The Leader has been asked to agree these proposals as a matter of urgency, following the surrender of the pre-existing arrangements, to minimise any further

delay in continuing to hold events at Oliver's Mount, thereby damaging the reputation of the Circuit and affecting the benefit to businesses in the Borough brought by visitors attending these events.

(d) Equalities and Diversity

- 5.4 It is the view of officers that the recommendations do not have an adverse impact on any of the protected characteristics identified in the Equalities Act 2010.

6. ACTION PLAN

- 6.1 If the Leader is minded to agree these recommendations, the company will work to holding their first event in June 2019.

A handwritten signature in grey ink, appearing to be 'Lisa Dixon', enclosed in a circular scribble.

Lisa Dixon
Director

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Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	6/3/19	Failure to agree Officers entering into formal discussions with GrantRoberts Ltd	Future of racing at Oliver's Mount would be put at risk	Accept report	D4	B2	Stuart Clark	None
2	6/3/19	Failure of new operator to deliver sufficient events at the Circuit	Damage to the reputation of the Circuit Financial loss to the Council and local businesses	Performance measures contained within the lease and licence	B3	B2	Stuart Clark	None
3	6/3/19	Difficulties accessing circuit following recent road closure	Disruption to events held at the Circuit	Continued discussions with NYCC Continued monitoring of situation Potential temporary remedial repairs to access road required	B4	A4	Lisa Dixon/Chris Bourne	Discussions/monitoring ongoing
4	6/3/19	Unforeseen costs arising as a consequence of officers being unable to access all the premises and associated fixtures.	Potential unforeseen cost implications for the Council	Discussions with proposed operator.	C3	B3	Stuart Clark	Ongoing discussions with proposed operator

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

Likelihood:

- A = Very Low
- B = Not Likely
- C = Likely
- D = Very Likely
- E = Almost Certain

Impact

- 1 = Low
- 2 = Minor
- 3 = Medium
- 4 = Major
- 5 = Disaster

Appendix One

Mick Grant Former professional motorcycle racer. Seven times an Isle of Man TT winner. Five times British Champion. Three times a Grand Prix winner. Five North West 200 wins. Oliver's Mount Gold Cup winner in 1981. In the late 1970s, the personal rivalry between Mick, then a factory Kawasaki rider, and Barry Sheene, drew the biggest crowds Oliver's Mount has ever seen. He later sat on the ACU Road Racing Committee, and managed racing teams for the Honda and Suzuki factories. Mick is currently consultant to Norton Motorcycles Racing Division.

Eddie Roberts Former professional motorcycle racer whose first international win was at Oliver's Mount. Eddie retired from racing in 1989 and took employment with Pirelli tyres, by 1994 he was Racing Manager for the brand, later Eddie became MD of Competition Logistics Ltd. the service provider for Pirelli at the World Superbike Championships and currently the British Superbike Championship. He was Company Director of Mallory Park racing circuit from 2013 to 2017. Eddie, with business partner Stuart Hicken, turned around Mallory Park from a failing circuit to the thriving enterprise it is today.

GrantRoberts Ltd. T/A as Olivers Mount Racing.

The company formed by Mick and Eddie to run the business of Olivers Mount Racing. We have been extremely fortunate to have the support of "TWOFOURTHREE" 243 Racing association. The ACU affiliated club has been formed to run events at The Mount.

ONENINEFOURSIX 1946 Marshalls Association has been formed to work with the ACU to run events and control to the highest professional standard.

It is everyone's intention to be forward thinking and bring Olivers Mount up to and beyond safety measures put down by the ACU.

We all realise that there is a lot of work ahead, it wouldn't be possible without the support of so many qualified and enthusiastic people. The re-opening of The Mount is a real team effort, we feel that democracy and openness is the way forward.

Shaun Dalton (Associate)

Co- founder of the newly formed “OneNineFourSix” Marshals Association and General Secretary of the newly established” TwoFourThree” Road Racing Association.

A former employee of Brands Hatch Leisure at Cadwell Park, motorcycle instructor and advanced rider. **Former Chief Marshal and Chairman of the Marshals Association at Olivers Mount** prior to this Sector 8 Chief Sector Marshal. ACU registered Road Race Marshal and Technical Official, with current Incident Management certification. Instructor for ACU insured and certificated marshals training days for Olivers Mount.

Life member of the Isle the Man TT marshals’ association and TT Supporters Club.

Currently Deputy Sector Marshal in sector 7 for the TT and Manx Grand Prix, Incident officer at Stadium Corner Southern 100. Chief Marshal and Circuit Team Co-ordinator for the 2017 and 2018 Moto Time Attack.