

Belfast Waterfront and Ulster Hall Ltd Shareholders' Committee

Tuesday, 22nd March, 2016

MEETING OF BELFAST WATERFRONT AND ULSTER HALL LTD SHAREHOLDERS' COMMITTEE

Members present: Councillor Kennedy (Chairperson); and
Councillors Armitage, Attwood, Campbell,
Graham, Haire, Hargey, Johnston,
Ó Donnghaile, O'Neill and Walsh.

In attendance: Mrs. S. Wylie, Chief Executive;
Mr. D. Durkan, Director of Development;
Mr. G. Fenlon, (Interim Managing Director of Belfast
Waterfront and Ulster Hall Ltd);
Mrs. S. McCullough, Director of Sales and Marketing,
Belfast Waterfront and Ulster Hall Ltd;
Mr. C. Campbell, Divisional Solicitor;
Mrs. E. Bremner, Programme Manager; and
Mrs. L. McLornan, Democratic Services Officer.

Apologies

Apologies for inability to attend were reported from Councillors Copeland and Mullan.

Declarations of Interest

No declarations of interest were reported.

Consideration of proposed Reserved Matters

The Divisional Solicitor explained to the Members that one of the most important aspects of the Shareholders' Agreement was that it set out a number of "Reserved Matters", which were matters on which the company's Board could not make a decision and which must come before the Council, through the Shareholders' Committee. He outlined that officers had engaged with the company to establish a list of Reserved Matters which would enable the company to function commercially on a daily basis while reserving major decisions to the Council.

He pointed out that any matter within the Business Plan was not a Reserved Matter as that gave the company an opportunity to plan out its business for the year ahead and provided certainty that any decisions required around those targets would not have to go before the Council. The Members were advised, however, that the Business Plan itself would be subject to Council approval.

The Committee considered the undernoted list of matters which would be reserved to the Council under the Governance Structure of the new Belfast Waterfront and Ulster Hall:

- altering the Company's Articles;
- permitting the registration of any person as a Member of the Company;
- issuing or allotting shares;
- borrowing any monies of a sum greater than the amount required by the Company to satisfy salaries (other than normal trade credit);
- changing the name of the Company or its registered Office;
- amending the Business Plan;
- changing the nature of the Company's business;
- forming any subsidiary or acquiring shares in any other Company, other than a joint venture which may be required for Event purposes;
- amalgamating with any other Company;
- disposing of any asset worth over £100,000.00;
- creating any security over the business or its assets;
- making any loan or guaranteeing any loan;
- entering into any transaction outside the normal course of its business where the consideration to be paid by the Company under the Contract exceeds £100,000.00 per year;
- terminating any Contract of the same value;
- changing the Company's Auditors or its financial year end;
- making any change to the Company's accounting Policies and Principles;
- paying a dividend;
- dismissing the Managing Director, except in cases of gross misconduct;
- establishing or amending any profit sharing, share option, bonus or other incentive scheme of any nature for Directors or Employees;
- making any bonus payment to a Director or Employee outside any agreed Scheme;
- employing any person on a salary greater than £50,000.00 per annum; and
- instituting or compromising any Legal Proceedings.

The Committee noted and agreed to the recommended Reserved Matters.

Draft Business Plan 2016/17

The Chairperson welcomed Mr. Geoff Fenlon, Interim Managing Director, and Mrs. Susie McCullough, Director of Sales and Marketing of the Belfast Waterfront and Ulster Hall Ltd., to the meeting.

The Interim Managing Director provided the Committee with an overview of the plans for the additional conference and exhibition facilities as a result of the £29.5million expansion to the Belfast Waterfront and how it would significantly aid the city in tapping into the growing business tourism market. He advised the Members that their aim was to generate a £100million return for Belfast over a five year period and highlighted that the extended facility would assist in creating over 1500 new hospitality, retail and tourism jobs in a bid to attract more than double the current number of conference delegates by 2020.

He outlined to the Committee a number of key elements of the emerging Belfast Waterfront and Ulster Hall Ltd. Business Plan for 2016/17 and advised the Members that it included annual sales targets, strategic ambitions, projected financial targets as well as commitments to broader social and regeneration outcomes.

He informed the Members that the primary targets for the Company would be, by the end of 2020, to:

1. attain 50,000 conference delegate days, to include 35,000 'out of state' visitors;
2. host an average of 6 Large/National Association and 6 European/International Conferences per annum; and
3. reduce the annual operating deficit by £1.6m from the baseline.

The Chief Executive reminded the Members that the extension of the Belfast Waterfront had cost £29.5 million to build, £13.3million of which the Council had secured from the European Regional Development Fund (ERDF). She advised the Committee that fines would be payable by the Council if any of the agreed targets were not met by 2020.

The Director of Sales and Marketing highlighted to the Committee that key influencing factors for conference organisers, as shown by Meetings, Incentives, Conferences and Events (MICE), were access (road, rail links etc), location, price/value for money, quality of service and free wi-fi and that these had all been taken into consideration with regards to the recent extension of the Belfast Waterfront.

In response to a Member's question, the Interim Managing Director confirmed that there would be 24hours/day and 7 days/week availability with regards to the conference facilities which would allow international video conferencing to take place.

The Director of Sales and Marketing advised the Committee that the Belfast Waterfront Ltd. was not only seeking to attract more than double the number of conferences to the city but that it was also seeking to increase the amount of entertainment which it hosted. She pointed out to the Members that three test events had been organised to take place in the Belfast Waterfront throughout April 2016, in order to test the I.T. systems, staff, evacuation procedures and catering, for example.

The Interim Managing Director highlighted to the Members the unique selling points which Belfast had, not only as a City, but also regarding the location of a

conference facility right on the water front with the added benefit of great transport links. He described to the Committee how the sales team was seeking to sell Belfast as a destination rather than just a conference venue, and that they had developed a sourcing strategy to ensure that local suppliers were used by the newly appointed caterers.

The Chief Executive, in response to a Member's question, concurred that improving the overall area surrounding the Belfast Waterfront was essential to ensure it was a success.

Dates of Future Meetings

The Committee agreed to undertake a site visit to meet the newly-appointed Board of Directors and to undertake a tour of the new Belfast Waterfront facility before its next meeting.

The Committee agreed that the next meeting would take place in August 2016, and noted that a special meeting would be scheduled to agree the finalised Business Plan for 2016/17 before that date.

Chairperson