

# **Belfast Waterfront and Ulster Hall Ltd. Shareholders' Committee**

Tuesday, 21st June, 2016

## **MEETING OF BELFAST WATERFRONT AND ULSTER HALL LTD. SHAREHOLDERS' COMMITTEE**

Members present: Councillor Walsh (Chairperson); and  
Councillors Attwood, Copeland, Graham,  
Haire, Hargey, Johnston, Mullan and O'Donnell.

In attendance: Mr. D. Durkan, Director of Development;  
Mrs. E. Bremner, Programme Manager;  
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. I. Bell, Business Support Director and Company  
Secretary, Belfast Waterfront and Ulster Hall Ltd; and  
Mrs. L. McLornan, Democratic Services Officer.

### **Apologies**

Apologies for inability to attend were reported from Councillors Kennedy, Kyle, McDonough Brown and O'Neill.

### **Minutes**

The minutes of the meeting of 22nd March were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 4th April.

### **Declarations of Interest**

No declarations of interest were reported.

### **Dates of Future Meetings**

The Committee agreed that it would meet at 5.15pm on the following dates:

- Monday, 22nd August, 2016;
- Monday, 21st November, 2016;
- Thursday, 12th January, 2017;
- Monday, 20th February, 2017; and
- Monday, 19th June, 2017.

### Restricted Items

The information contained in the following report is restricted in accordance with Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

#### Belfast Waterfront and Ulster Hall Ltd. Business Plan - 2016/17

The Interim Managing Director provided the Members with an overview of the first business plan for Belfast Waterfront and Ulster Hall Ltd. He explained that it was a one year plan within the context of a five year strategy and that it would cover the period up to 31st March, 2021.

The Business Support Director provided the Committee with an overview of the financial plan for the company.

The Director of Sales and Marketing advised the Members that her team's focus was to generate increased income and as such it was important to be able to sell Belfast as a destination as well as the venue itself. She explained that the company had invested in updating systems and equipment in order that the sales and marketing staff could provide a 24/7 service on an international platform.

She explained that feedback from a recent conference she had attended had illustrated that there was a perception from some conference organisers that Belfast was difficult to get to. She clarified that, in recognition of this, the Company were working with Visit Belfast to update information and marketing materials regarding travel connections to the city, in order to challenge such perceptions.

She highlighted to the Members some of the positive feedback which they had received from conference delegates so far, particularly with reference to the helpful front of house staff, the cutting edge technology and the excellent catering. It was agreed that future performance reports would provide insight into customer satisfaction and feedback.

A Member stated that they were delighted that the newly appointed caterers at the Belfast Waterfront were sourcing all of their food and drinks from local suppliers. In addition to this, the Interim Managing Director advised that, in conjunction with the Council, consideration was being given to the development of an 'app', which would be geared towards out-of-town delegates, offering discounts and providing suggestions for local restaurants, bars, hotels and sites within the city.

During discussion, the Director of Sales and Marketing explained to the Committee the Corporate Social Responsibility elements which were included within the Business Plan. She described how there were reduced rates for charities and not-for-profit events. She also explained that the Company would nominate a charity each year and would ensure that the venues were used to benefit that charity as much as possible. The Interim Managing Director added that the company planned to promote work experience for local young people, offering experience in the catering industry,

front-of-house, sales and marketing with low barriers of entry. It was also noted that an analysis of current employees indicated that the majority were from the Belfast area and a Member commended the Company for engaging with local communities to provide employment opportunities.

In response to a further Member's question, regarding the targeted number of bookings which the Belfast Waterfront had secured in comparison to other conference venues in the UK and Ireland, the Interim Managing Director advised that an independent economic assessment had provided targets whereby, by the end of 2020, the Belfast Waterfront would:

1. attract 50,000 delegate days (35,000 of which should be from out-of-state);
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.

He advised that, in terms of the ICCA (International Congress and Convention Association) league rankings, the Belfast Waterfront was doing well in its first year, when compared to similar sized cities. The Interim Managing Director and the Director of Development agreed that aligning with what Invest NI, Tourism NI and Visit Belfast were doing would be vital in attracting out-of-state conferences.

A Member asked for feedback on potential areas for improvement and the Director of Sales and Marketing advised that they were keen to explore the issue of taxi and bus-drop off points, however, it was noted by the Committee that the adjoining land at Donegall Quay was not owned by the Council.

The Committee agreed that a report would be submitted to a future meeting on managing the risks for the Belfast Waterfront and the Ulster Hall.

After discussion, the Committee noted and approved the Business Plan.

### **Audit, Governance and Risk**

#### **Governance Update**

The Committee considered the undernoted report:

##### **"1.0 Purpose of Report or Summary of main Issues**

**1.1 This report provides members with a brief update on the new governance arrangements in place to manage the new Belfast Waterfront & Ulster Hall company and its relationship with the Council.**

##### **2.0 Recommendations**

**2.1 The Committee is asked to note the report.**

### **3.0 Main report**

**3.1** Members will be aware that since the previous meeting work has been ongoing to finalise the legal framework for the new Belfast Waterfront & Ulster Hall Limited. It can now be confirmed, however, that the Contract and Shareholders Agreement were signed by both the Council and BWUH Ltd on 3rd June 2016. As such a contract is now in place for a period of 10 years with an option to extend by a further 5 years.

**3.2** In order to support the relationship between both parties an internal governance structure has therefore been put in place and consists of the following. A schematic of the following is represented on modern.gov:

- 1.** BWUH Shareholders' Committee – the Committee will represent the interests of the Council i.e. the Shareholder, scrutinise performance and finance, approve the Business Plan and make decisions on reserved matters.
- 2.** Corporate Management Team – CMT will act as a project board providing assurance and leadership. The Chief Executive and Director of Finance & Resources will also act as Observers on the Board of BWUH Ltd.
- 3.** The Director of Development, Donal Durkan, is the Senior Responsible Officer within Council going forward. In this role the Director will assume responsibility for developing and maintaining the strategic relationship with the Managing Director and will report to Committee, the Corporate Management Team and funders on performance, finance, risk and issues. The Director will be supported by Eve Bremner (Programme Manager) and Lynda Bailie who will provide day-to-day contract management support for the company, Council and members.
- 4.** An Internal delivery team consisting of representatives from key services such as Finance and Resources, Legal Services, AGRS, HR/OD, Property and Projects and Digital Services will provide operational support to the company (as per agreed SLAs) and also report through the Director of Development as appropriate.

**3.3** The contract documentation between the Company and the Council also includes a number of provisions to ensure that appropriate governance arrangements are put in place within

the new company, in line with good practice. The table below highlights the key provisions and the current position:

Financial Regulations & procedures	<ul style="list-style-type: none"> <li>– Financial procedures in place</li> <li>– Scheme of Delegation in place</li> </ul>
Audit & Risk Committee	<ul style="list-style-type: none"> <li>– BWUH Board has agreed to form an Audit &amp; Risk Committee</li> <li>– Terms of reference to be confirmed at BWUH Board meeting scheduled for 8 August 2016</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>– Provided by Council's Audit, Governance &amp; Risk Services (yr 1)</li> <li>– Indicative Terms of Reference prepared - to be discussed at Audit &amp; Risk Committee meeting 8 August 2016. This will include consideration of provision of assurances (through the internal audit process) to the Board and Shareholders' Committee.</li> </ul>
External Audit	<ul style="list-style-type: none"> <li>– A specification for the appointment of an external auditor has been developed by the Company. Steps underway to procure as per the Company's Financial Regulations. Committee will be updated on any subsequent appointment.</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>– Board has held a workshop to identify and assess Company risk profile and discuss related risk management process.</li> </ul>
Health and Safety	<ul style="list-style-type: none"> <li>– Responsibility of the Company, assistance provided by Council's Corporate H&amp;S Unit under a Service Level Agreement.</li> </ul>

**3.4 The Committee is asked to note the progress made to date and to note and that further updates on the AGRS programme will be brought to Committee as part of regular quarterly reporting on performance and progress.**

**4.0 Financial & Resource Implications  
None**

**5.0 Equality or Good Relations Implications**  
**None.”**

The Director of Development advised the Committee that the governance arrangements ensured proper scrutiny, accountability and management within the structure.

The Committee noted the report.

**Articles of Association**

The Programme Manager advised the Committee that when the company was initially registered it had adopted, as was standard practice, a model set of Articles. These were standard Articles which had not yet been tailored to the needs of the individual Company. She reminded the Members that all Limited Companies were required to have a Memorandum and Articles of Association, as they were the Company's main Constitutional documents, which regulated how the Company operated. The Company's Articles dealt primarily with the appointment and removal of Directors, voting at Company meetings, and the powers of the Directors.

The Committee was advised that the Council's Legal Services had since amended those Articles to better reflect what was actually required by BWUH Ltd, and to ensure that they were consistent with the Shareholder's Agreement which had been entered into between the Council and the Company, and also with the Letters of Appointment which had been sent to the Company's directors.

The Programme Manager outlined that the primary amendments which had been made to the Articles were the inclusion of a set term of Office for Company Directors, and further assurances with regards to the process of removing a Director, within the confines of Company Law.

The Committee agreed to recommend that the Company would pass a Special Resolution to adopt the amended Articles of Association.

Chairperson