

Belfast Waterfront and Ulster Hall Ltd Shareholders' Committee

Monday, 21st November, 2016

MEETING OF BELFAST WATERFRONT AND ULSTER HALL LTD SHAREHOLDERS' COMMITTEE

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

In attendance: Mr. D. Durkan, Director of Development;
Ms. C. Toolan, Managing Director of Belfast Waterfront
and Ulster Hall Ltd;
Mr. I. Bell, Business Support Director, Belfast Waterfront
and Ulster Hall Ltd; and
Mrs. L. McLornan, Democratic Services Officer.

Apologies

An apology for inability to attend was reported from Mrs. S. McCullough, Director of Sales and Marketing, Belfast Waterfront and Ulster Hall Ltd.

Minutes

The minutes of the meeting of 22nd August were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 1st September.

Declarations of Interest

No declarations of interest were reported.

RESTRICTED ITEM

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

Performance Report - Q2, 2016/2017

The Managing Director of the Belfast Waterfront and Ulster Hall Ltd (BWUH Ltd.) provided the Committee with an overview of the Company's performance during July, August and September 2016, and an overview of the year to date performance for the financial year 2016/17. The Committee was advised of the Sales performance and the Managing Director illustrated the position in terms of the actual figures and the budgeted

figures. She highlighted that, while there was a small overspend of £8,000 at this point, she was confident that the figures would be on course by the end of the year.

She advised the Committee that revenue had been much higher than planned for in the year to date. The Members were advised, however, that while revenue had been higher than expected, a number of variable overhead costs had also been higher, particularly security and casual labour, and due to the fixed cost nature, many of the overheads were in line with the budget.

The Managing Director advised the Committee that interest in the new Belfast Waterfront venue had remained strong and that the economic impact on the City and the region, as a result of the re-investment in the venue, had generated substantial extra business that Belfast would previously have been unable to host. She advised the Members that the Key Performance Indicator (KPI) targets had been exceeded, with 24 conferences in the top six categories confirmed and that it had been estimated that those conferences would result in 44,000 delegate days. The Committee was advised that, by the end of the second Quarter, 15 conferences would have been delivered, resulting in an economic impact for the City of £9.5million. The Managing Director highlighted that local restaurants and golf courses had benefitted greatly from a number of large conferences which had recently been held here.

In response to a Member's question regarding evidence of increased bed nights as a result of major conferences taking place in the Belfast Waterfront, the Managing Director confirmed that the Chief Executive was discussing the mechanism with which to report these figures with Visit Belfast, and that she hoped that these figures would be included in future performance reports to the Committee.

The Managing Director highlighted that BWUH Ltd. was on course to meet its sales targets for 2016 and 2017, and that a current challenge was to meet the 2018 targets.

The Managing Director provided the Committee with an update on the Ulster Hall occupancy rates, and advised that attaining the target of 136 days was a challenge which the Company was working on. The Members were advised that the Company was looking at ways in which BWUH Ltd. could maximise additional catering spend during Ulster Orchestra events.

The Members were advised that, in relation to surveying Customer Satisfaction, anecdotal feedback had been very positive to date and that a Venue Events Management System (VEMS) would be introduced from November 2016.

During discussion, the Managing Director confirmed that BWUH Ltd. was exploring opportunities with the Ulster University to determine apprenticeships in building management, facilities/technical management and event management and that it expected to have one opportunity established by the end of Quarter 3.

In response to a Member's question in relation to ensuring that the technology in the Belfast Waterfront was up-to-date, the Managing Director confirmed that assessments were ongoing to determine whether renting or buying new equipment was

the best value for money option, given that it was high cost and needed to be updated frequently.

The Managing Director advised the Committee that a draft Corporate Social Responsibility (CSR) Strategy would be presented to the BWUH Board for its approval in December. She informed the Committee that the Strategy would cover a range of areas, including employability, apprenticeships and the Company's commitment to its role as a 'good neighbour'. She also confirmed that the Business Plan would be presented to the Shareholders' Committee at its meeting on 12th January, 2017.

The Committee noted the contents of the report.

Gateway Review

The Director of Development advised the Members that a fourth Gate Review of the Belfast Waterfront Conference and Exhibition Centre Project had been completed over a three day period in August 2016. He explained that Gate Reviews 1 – 3 had been completed under the Capital/Construction side of the project and, as the project had developed from a capital build to an operational service delivery, the responsibility had transferred internally from the Property and Projects Department to the Development Department, and that he was now the Senior Responsible Officer (SRO). He explained that Central Procurement Department (CPD) had requested the Gate 4 Review to ensure 'readiness for service' within the designated timescales.

He outlined to the Members that the purpose of the fourth Gateway Review was to:

- check that the current phase of the contract was properly completed;
- check that the original projected business benefit was likely to be achieved;
- ensure that there were processes and procedures to ensure long-term success of the project;
- check that there were feasible and tested business contingency, continuity and/or reversion arrangements;
- ensure that all ongoing risks and issues were being managed effectively and did not threaten implementation;
- confirm the business had the necessary resources and that it was ready to implement the services and the business change;
- confirm that there were management and organisational controls to manage the project through implementation and operation;
- confirm that contract management arrangements were in place to manage the operational phase of the contract;
- confirm that all parties had agreed plans for managing risk;
- confirm that there were client-side plans for managing the working relationship, with reporting arrangements at appropriate levels in the organisation, reciprocated on the supplier side and in line with the Project Aims and Objectives.

He advised the Committee of the outcomes from the most recent Gate Review and advised that the Delivery Confidence Assessment was determined as 'amber', which he explained was to be expected at this stage of the development as a number of the aims of the project would not be reached until 2020. He confirmed to the Members that the Review Team had concluded that good progress had been made since the last Review, in July 2014.

The Director explained that, following the Review, a number of actions had been put in place to ensure the successful delivery of the original project aims and objectives and to ensure a successful emergence from the transition period. The Committee noted that BWUH Ltd. had now established a Strategic Change Committee to support the Company through the transitional stage.

During discussion, the Director advised the Committee that a Benefits Realisation Workshop would be set up with key stakeholders, such as Tourism NI, in order to integrate and develop the efficient promotion of business and leisure tourism within Belfast and Northern Ireland to secure the desired benefits.

The Committee noted the contents of the report and the recommendations which were made by the Gateway Review Team.

Chairperson