

## Appendix A

### Executive Summary of relationship agreement between the Ulster Hall, and the Ulster Orchestra as tenant within the building, as approved by Waterfront Hall Board, Belfast City Council, and Board of the Ulster Orchestra

#### 1. Timeline for Capital Development Programme

Ulster Hall closure	-	31 March 2007
Ulster Hall reopens	-	6 March 2009

#### 2. Summary of Office/Ancillary accommodation to be provided:-

Room 1	- Ground Floor – Instrument Store	25.65m <sup>2</sup>
Room 2	- Second Floor – Orchestra/ Concert Manager	48.0m <sup>2</sup>
Room 3	- Second Floor – Librarian / Library Storage	45.5m <sup>2</sup>
Room 4	- Second Floor – Meeting Room	27.4m <sup>2</sup>
Room 5	- Second Floor –Ladies WC	11m <sup>2</sup>
Room 6	- Second Floor – Corridor	26.32m <sup>2</sup>
Room 7	- Third Floor – Reception	7.48m <sup>2</sup>
Room 8	- Third Floor – Chief Executive	25.4m <sup>2</sup>
Room 9	- Third Floor – PA to Chief Executive	14.4m <sup>2</sup>
Room 10	- Third Floor – Finance	32 m <sup>2</sup>
Room 11	- Third Floor – Marketing	42m <sup>2</sup>
Room 12	- Third Floor – Gents WC	11m <sup>2</sup>
Room 13	- Third Floor – Corridor	26m <sup>2</sup>
	TOTAL	342.15m <sup>2</sup>

#### 3. Ulster Orchestra usage of Main Hall (projected)

Max total days per year 149

(a) 13 Fridays between September and May plus rehearsals each Wednesday and Thursday prior to the concerts –

Max total days 39

(a) BBC Concert programme (10 weeks)  
(standard hire rate applies)

e.g.	August	(4)	September	(2)
	January	(1)	March	(1)
	May	(1)	June	(1)

Max total days 50

(c) 60 full days rehearsal (mainly Wednesday, Thursday or Friday), prior to concert days at Waterfront Hall.

Max total days 60

(d) Reservations or bookings made by the orchestra are normally made anything up to two years in advance.

4. Rates, Rents, Service and Utility Costs

The charge for year one (2008/9) will be £48,500, 'on a pro rata basis', which means that dependant upon what month the orchestra physically takes up its accommodation requirements, then on a monthly basis the charge be applied. e.g. if the orchestra moves in at the start of February 2009, then there would be a two month fee liability remaining for the period (i.e. £8,083). However, in line with other commercial office agreements, an initial three month rent free period from the start of the tenancy has been agreed, and which is now anticipated to apply between February and April 2009.

The year corresponds to the financial year April to March, and since the rates are increased annually to the Hall, any increase would normally be in line with inflation, or at a level approved by the Council, and which would be introduced as from April 2009.

The application of this policy is in line with that applied to other council properties.

The fee level of £48,500 has been arrived at by the Council's Estates Management Unit in a fair and equitable manner, through a formal assessment of the service requirements by the orchestra within the building, based on commercial/market rates, and assumptions on levels of fit out provided within the project, in those areas utilised wholly by the Orchestra.

The fee is made up of two sections:-

- (a) The Ulster Orchestra will have exclusive occupation of a instrument store on the ground floor and office accommodation on each of the second and third floors, subject to an annual rent of £36,500 per annum. This equates to £6.00 per sqft for the storage space, £11.50 per sqft on the office accommodation and reflects the use of toilets and passages. This compares favorably with office accommodation of a similar quality in a city centre location.
- (b) In addition to the rent, the Ulster Orchestra will be liable for a service charge of £12,000 per annum to over the cost to the City Council of heating and cleaning but not electricity for which the orchestra will be liable by separate meter. This figure relates solely to the accommodation occupied by the orchestra and will be reviewed on an annual basis. At this stage it can only be an estimate as it is not possible to assess with any degree of accuracy the cost of heating and cleaning until such time as the Council incurs these costs.

5. Hire Charge for the use of the Main Hall and Ancillary Rooms

A review of the venue's pricing policy will incorporate a regional and national benchmarking exercise. The level of charge set will allow for a repositioning of the venue within the already extremely competitive market, so as to complement the extensive programme of investment in its facilities, whilst being cognisant of making the space affordable to previously loyal clients.

It is noted that the Ulster Orchestra is a registered charity, and as such has to be considered for any applicable discounts that may apply within the venue's pricing policies, when established after opening, for the Ulster Hall and indeed the Waterfront Hall.

As part of the partnership agreement with the Orchestra a special hire rate has been established in order to enable the Ulster Orchestra to utilise the Ulster Hall for rehearsals, at a cost in the first operational year, 2009/10, of £427.50 plus VAT, which was equivalent of 50% of the rehearsal rate utilized in 2006/7, and which will be increased annually in line with Belfast City Council pricing guidelines. When the contract for hire is with the BBC the standard rates will apply.

6. Agreement Term

The agreement between the Orchestra and the Ulster Hall is based on a twenty-five year term, with rental reviews every five years. Such a length of term it was felt would provide both the Orchestra with some stability, and the Hall with greater ability to plan its remaining programme around their core partner.

7. Project Liaison Group

As with any major capital project, a Project Working Group has been established which meets currently on a bi monthly basis and is chaired by the Managing Director. This is representative of all stakeholders in order to ensure that a robust partnership culture is established between all parties concerned, and to address both strategic and operational issues.

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