

## Board Meeting 1 November 2018

**TOURISM NORTHERN IRELAND  
MINUTES OF BOARD MEETING  
HELD AT THE SLIEVE DONARD HOTEL, NEWCASTLE, CO DOWN  
ON THURSDAY 1 NOVEMBER 2018**

Present:

- Mr Terence Brannigan (Chairman)
- Ms Angelina Fusco
- Mr Colin Neill
- Mr Terry McCartney
- Mr Michael McQuillan
- Ms Michele Shirlow
- Mr Geoff Wilson

In Attendance:

- Mr John McGrillen, Chief Executive
- Ms Jill McKee, Director of Finance (items 1 (i) – 1 (iv))
- Ms Aine Robinson, Acting Director of Finance (items 1(i) – 1 (iv))
- Mr Stephen Smyth, PA Consulting (item 2 (i))
- Ms Doreen McKenzie, Northern Ireland Tourism Alliance (item 2 (ii))
- Ms Brenda Morgan, Northern Ireland Tourism Alliance (item 2 (ii))
- Mr Jim Daly, Corporate Communications

Apologies: None

### **1. Introduction**

#### **1 (i) Introduction**

The Chairman welcomed those present and reminded attendees that minutes of the meeting would be published. He asked if anyone present wished to declare interests in respect of agenda items. Colin Neill declared an interest in relation to his membership of the Board of the Northern Ireland Tourism Alliance (NITA). The Chairman also referred to his own participation in NITA board meetings as Tourism NI's nominated observer. It was agreed that they would not be required to leave the Board Meeting during the relevant discussion.

Referring to the previous evening's discussions over dinner with tourism stakeholders, the Chairman remarked that it had been a very useful engagement and that local government and tourism businesses alike had demonstrated the benefits of a genuine spirit of collaboration. Members commented that the briefing and lines to take provided to them in advance of the

dinner had been useful and informative, and requested that an infographic be produced giving tourism facts and figures and details of key projects by council area, and an indication of Tourism NI's level of engagement with each local authority (**ACTION**: SB/RMCh).

### **1 (ii) Minutes of Last Meeting**

Minutes of the Board's meeting on Thursday 20<sup>th</sup> September were approved as an accurate record and signed. The Chairman indicated that he would write to the Slieve Donard Hotel's general manager with thanks for the arrangements put in place for the Board's meeting. Members suggested that feedback should also be given when accommodation or meeting arrangements are less satisfactory, either by the Chairman or through the Quality and Standards team (**ACTION**: AK).

The running order of the agenda was altered for the next few items to permit officials and presenters to depart for other engagements.

### **1 (iii) Finance Report – Quarter II 2018-19**

A report was given on the budget position at the halfway point in the financial year, including an adjusted budget allocation following the Department for Economy's (DfE) October monitoring round. The Board was advised that Tourism NI had received a funding allocation to mitigate the impact of a "no deal" Brexit and also of a resource bid for a recovery campaign in Belfast following August's fire at Bank Buildings. Proposals for the campaign are to be agreed with the CEO of Belfast City Council (**ACTION** : JMcG). Colin Neill declared an interest as a member of the Recovery Steering Group.

Details of capital bids to the December monitoring round were set out. Members noted a bid for IT hardware following a recent server outage at Tourism NI headquarters. This was emphasised to be a one-off event, but there was a need to take preventative measures. A request was also made for resource to support policing costs for the 148<sup>th</sup> Open.

An update was given on the Derry Visitor Information Centre project. The Board had approved support of up to £500k at its last meeting, but Members were advised that a DfE query over the procurement process adopted by Derry City & Strabane District Council would not leave sufficient time to allow spend in the current financial year. As a result the funds are to be deferred and will be included in Tourism NI's 2019-20 budget allocation as an inescapable pressure.

The Board's attention was drawn to an issue with DfE's requirements for the approval of business cases, which had created significant difficulty in progressing project spend. More recently a 'business as usual' approach had been adopted, which was easing the backlog of cases. The Board also noted requests from the Department for management accounts and the Chief Executive undertook to bring this to the next Board for further discussion (**ACTION**: JMcG).

The Board was advised of a re-profiling exercise which had proved extremely useful in identifying pressures and easements, and in refining the monitoring of budget spend at this point in the year. The Chairman requested a paper for the next meeting setting out the revised budget position in detail and seeking the Board's approval for areas to which funds may be reallocated (**ACTION**: AR). It was agreed that the business case for the Brexit mitigation funds would also be shared with the Board (**ACTION**: JMcG).

A report was also given on Board expenses in the year to date. The Board thanked the Director of Finance for the report and wished her well for her forthcoming maternity leave. The Board also welcomed the new acting Director of Finance.

## **1 (iv) Risk Register**

The Board noted an update on the Tourism NI Risk Register at the end of Quarter II. A number of risks had been adjusted. The score had been reduced for the possibility of a Tourism Strategy not being in place. A risk relating to existing certification legislation had been raised, and a new risk added in relation to the prospect of a 'no deal' exit from the EU impacting on delivery of Programme for Government targets.

Jill McKee and Aine Robinson left the meeting at this point.

## **2. Items for Discussion**

### **2 (i) Tourism NI Service Delivery and Transformation Programme**

PA Consulting joined the meeting to present a draft report setting out a new operating model for Tourism NI, to equip it to deliver its strategic priorities in full. The approach taken had examined Tourism NI's fundamental purpose and functions, while considering the business capabilities that it requires to operate most effectively in the present business environment. The new structure proposed four directorates: marketing, sales and communications; strategic development; corporate services; and digital and transformation. The process had identified specific competencies and capabilities required within each directorate.

Senior management's aspirations for future service delivery had identified a need for a significant number of additional full-time equivalent staff. As this was felt to be unrealistic in the present financial climate, priority areas must be identified to frame a request to which government can respond sympathetically. Tourism NI would need to define its role in delivery of the Tourism Strategy, focus on that alone and shed any activity not contributing to that aim. An opportunity also exists for Tourism NI to become the recognised centre for excellence for tourism growth: doing this would require staff to become more expert in specialist areas. Tourism NI would also need to explore new sources of funding and in parallel, drive effectiveness and efficiency by demonstrating better ways of working and of managing performance.

The Board discussed the role of the digital and transformation team. It was envisioned that over time, this directorate's functions would integrate with the others to leave a structure with three directorates. It was emphasised however that the degree of disruption that digital advances might bring cannot be predicted and the organisation's agility to keep an eye on the horizon and respond to such developments would potentially be more critical than a fixed structure.

Next steps were outlined, with the delivery of a final draft report to the Tourism NI Senior Management Team which can be shared with the Department following approval by the Board. The Chairman suggested that there was a need for a fuller discussion in order to understand more clearly where resource or skills deficits exist within the current structure. The Board observed that it would be critical to have the right messages in place to secure a positive outcome to requests for additional resource. In addition there were areas where significant pressures exist that require action in the short term, such as business tourism and industry support. To that end it was agreed

that PA Consulting would revise the draft report on foot of the Board's comments and return for a further discussion of the report at the December Board Meeting (**ACTION: LK**).

The Board thanked Stephen Smyth and he left the meeting.

## **2 (ii) Northern Ireland Tourism Alliance (NITA)**

The Board was joined by NITA's interim Chief Executive and Chairperson, for a discussion of progress since the Alliance was established. At the outset the Chairman and Colin Neill repeated their declaration of interests as participants in NITA board meetings.

The update set out the purpose of establishing the Alliance, the composition of its Board and membership, its funding and governance structures. The early programme of work included roadshows to sound out the industry and assist new NITA officials in understanding issues at the grassroots level. Another crucial early piece of work had been the response to HM Treasury's consultation on tourism VAT and Air Passenger Duty in Northern Ireland.

It was emphasised that the Alliance remains within its very early stages of operation. NITA had now established its online and social media presence and the Board discussed NITA's key messages and priorities for engagement during this bedding-in period. The Board suggested that a forum is needed where NITA members can engage with each other, with tourism clusters, collaborative networks and other similar support structures. NITA does not envisage itself engaging with specific businesses but rather with other representative industry bodies such as the Institute of Directors, Chamber of Commerce and the accommodation associations, so that its voice is clear, consistent and authoritative and its messages are heard across a broad spectrum.

The Board asked how the Alliance would measure success and where it wishes to be in five years' time. It was felt that a critical measure of success will be in driving visitors to explore beyond Belfast and having Northern Ireland recognised as a major tourism region. The Board suggested that a further measure would be government visibly reacting whenever the Alliance speaks out on tourism issues. There was a discussion of how membership could be expanded to encompass smaller businesses and operators. The Board was advised that a membership meeting is planned for December in order to agree priority messages and seek to recruit additional influencers.

The Board thanked the NITA representatives for their attendance, paying particular credit to Doreen McKenzie for her work in helping to establish the Alliance, and they left the meeting.

## **2 (iii) Matters Arising from previous Board Meeting**

The Board noted completed action points following on from the last meeting and updates were given as follows.

*Lunch with Tourism Ireland Board* – Members reviewed the recent discussion over lunch with the Board of Tourism Ireland and expressed regret that this had not represented the two-way dialogue that they had hoped for. The Chairman had been unable to attend and it was agreed that he should follow this up with the Tourism Ireland Chair (**ACTION: TB**).

*The 148<sup>th</sup> Open* – the Director of Business Support and Events is continuing to engage with the legacy group to see what learnings might be gleaned from the R&A's long experience of running previous tournaments.

*Tourism Ireland GB Review* – the Board again stressed the importance of differentiating Northern Ireland from the rest of the island in terms of its tourism offer and visitors' attitudes.

### **3. Governance**

#### **3 (i) Quarter II Reports 2018-19 – Operating Plan Performance**

The Board noted the content of a report on the Operating Plan at the halfway point in the year. Updates were given on a number of key objectives. The ongoing political deadlock meant that no progress could be made on the draft Tourism Strategy. Work on the experience brand was outlined and the Board formally agreed to move the target for completion back by twelve months.

DfE was noted to be seeking resource to support the economic investment study and it was agreed that this should be raised at the debrief meeting. While it was reported that the Tourism Growth Fund is unlikely to be delivered in the form that Tourism NI had envisioned, the Board agreed to retain the objective in the hope of securing some progress. Specialists were being procured to work on the Experience Development Framework, with completion of the first phase of work anticipated by the end of March.

Progress on industry development activity was noted to have been delayed due to a backlog of procurement at CPD and a number of key staff absent through illness. The Board asked the Senior Management Team to ensure that the welfare of such staff is protected and suggested that Tourism NI should seek to appoint another Grade 7 post to share workloads. The Board was also advised that new Finance and HR systems are expected to be operational by Quarter IV.

#### **3 (ii) Quarter II Reports – Board Effectiveness Action Plan**

The Board had requested quarterly reports on the implementation of recommendations arising from its review of effectiveness. A first report was presented, with good progress already made on completing a significant number of actions. It was proposed that early in the new year the Board should undertake a strategic planning workshop, similar to that held in Limavady in January – Members were content to adopt this proposal and it was agreed that a facilitator should be sought (**ACTION**: JMcG).

It was also suggested that training for senior management team members on presentation skills should be extended to all Tourism NI managers (**ACTION**: LK).

Members also discussed the format of Board agendas and were broadly content that these fulfil the requirement for the Board to have a role balanced between strategy, scrutiny and transparency.

## 4. Items for Discussion - continued

### 4 (i) Board Sub-Committees

At its last meeting the Board discussed a new framework of sub-committees and had suggested the addition of a joint Finance and Casework Committee and a transformation 'taskforce'. Draft terms of reference for the new committees were now presented. Members also proposed that, given the importance of the issues involved and the frequency with which they were discussed at Board Meetings, an additional Business and Industry Development Committee should be established. Discussion turned to the membership of committees, and Board representation was agreed as follows:

**Audit and Risk Committee:** Colin Neill, Angelina Fusco, Michael McQuillan

**Marketing Committee:** Geoff Wilson, Terry McCartney, Terence Brannigan

**Finance and Casework Committee:** Terence Brannigan, Geoff Wilson, Michele Shirlow

**Business and Industry Development Committee:** Terry McCartney, Terence Brannigan, Colin Neill

**Transformation Taskforce:** Angelina Fusco, Michele Shirlow

In addition it was agreed that at least one independent member should be sought to join each committee and that where possible, committee meetings should be scheduled prior to or following Board Meetings. Also emphasised was the need for committee workloads to be balanced to ensure that discussions are confined to strategic matters and Members do not become involved in operational detail.

### 4 (ii) Board Meeting dates for 2019

A revised programme of proposed Board Meeting dates for 2019 was presented and agreed.

## 5. Standing Items

### 5 (i) Chairman's Report

A list of engagements undertaken by the Chairman since the last Board Meeting was presented and noted. Reports were given on the annual general meeting of the Chairs' Forum and the recent Social Travel Summit. The Chairman commented that the Summit had been the best Tourism NI event that he had seen yet, in terms of arrangements and its impact. Feedback from bloggers and other participants had been exceptional and the Board joined the Chairman in passing their congratulations on to all staff involved with organising the event.

The Chairman also gave a report on the last post-Board debrief meeting held with DfE. Issues raised at the debrief had included budget increases awarded to tourism agencies in ROI, Tourism Ireland's budget, Tourism NI structures and resources, hospitality skills and NITA.

Referring to a Tourism NI red carpet event scheduled for the evening of 31 January to launch the 148<sup>th</sup> Open, the Board suggested that its meeting on that date should be held in the afternoon to allow Members to travel onward to the event immediately after.

## **5 (ii) Chief Executive's Report**

The Board noted the content of the Chief Executive's report and updates were given on a number of specific issues as follows:

*Visitor Performance* – latest NISRA statistics appeared to show that the industry had experienced a good summer, despite concerns that significant recent increases in accommodation stock would affect occupancy.

*Experience Brand* – the Board was advised of the outcomes of market testing of a number of logos across a broad sample. This had demonstrated a clear preference with imagery and lettering both testing strongly with respondents, and the successful version of the logo coming out a clear ten points ahead of the others.

*The 148<sup>th</sup> Open* – an update was given on preparations for the tournament. The key issue at present is the policing costs for the event. Tourism NI is to discuss with counterparts in Invest NI how corporate hospitality at the 148<sup>th</sup> Open may be used to best effect. The Board was advised of an offer for Tourism NI to take part in a forthcoming Failte Ireland Golf platform, and approved this on the proviso that Tourism NI's own branding is to the forefront at its stand.

*City Deal* – following the recent announcement, councils not involved in the city deal bids were noted to be coming together to produce their own plan to seek a dividend and determine how regional dispersal might be achieved.

*Clusters* – the Board was advised that while the cluster concept had met with significant success in the Causeway area and was being embraced with enthusiasm in a number of other regions, there were pockets of industry more reluctant to take up the idea, and where fragmentation of effort and purpose remained an issue. This appeared to be the case in Fermanagh and Members suggested that it might be useful to hold a Board Meeting there sometime in the New Year, to engage with the industry on that issue.

## **5 (iii) Sub-Committees and Other Reports**

The current sub-committees had not met in the period since the last Board Meeting and there were no updates. A meeting of the Skills sub-group was scheduled to follow the Board Meeting.

Members commented that it was some time since the Board had received an update on activity with VisitBritain and requested an update for the next meeting (**ACTION**: NW).

## **6. Papers for Noting**

### **6 (i) Draft Agenda for Next Board Meeting**

The Board agreed that a suggested discussion of Operating Plan priorities for 2019-20 should be deferred to a workshop similar to that held earlier in the year. The Board proposed to do this on 10-11 January (**ACTION**: SB).

## **7. Any Other Business**

There were no other items of substantive business.

## **8. Date of Next Meeting**

The next Board Meeting is due to take place on Thursday 13 December at Tourism NI Headquarters in Belfast.