

Board Meeting 10 March 2022

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD AT MID ULSTER COUNCIL OFFICES, MAGHERAFELT
ON THURSDAY 10 MARCH 2022**

Participating:

- Mr Terence Brannigan (Chairman)
- Ms Angelina Fusco
- Ms Anya O'Connor (by remote call)
- Mr John West
- Ms Patricia Corbett
- Ms Michele Shirlow (by remote call)
- Mr Colin Neill
- Mr Terry McCartney
- Mr Geoff Wilson (by remote call)
- Ms Sarah Jayne Smith, Boardroom Apprentice
- Mr John McGrillen, Chief Executive
- Mr David Roberts, Director of Strategic Development
- Ms Aine Kearney, Director of Business Support and Events (by remote call)
- Ms Lesley McKeown, Director of Finance (by remote call)
- Mr Jim Daly, Executive Support Team

Apologies: None

1. Introduction / Standing Items

The Chairman welcomed participants and prefaced the meeting with a reminder that minutes of the meeting will be published.

Participants were asked if they wished to declare interests in relation to agenda items. It was noted that Geoff Wilson would leave the meeting during discussion of the paper on major events.

1 (i) Minutes of Previous Board Meeting

Minutes of the Board Meeting held on 27th January 2022 were approved as an accurate record.

1 (ii) Matters Arising – Actions from Previous Meeting

The Board noted the status of actions agreed at its last meeting and updates were given on a number of actions as follows:

Major Events – a paper on this subject was on the agenda for discussion later in the evening. The Chief Executive advised that as part of the organisational restructuring of Tourism NI, it is proposed that events support will form part of the remit of a new Director of Operations. An update was given on discussions with the Department regarding structures, and ongoing recruitment. The Board was also advised of the status of a long-standing pay and pensions issue.

Corporate Brand – A revised iteration of the brand and logo had been presented to the Marketing Sub-Committee at its meeting on 9 March, and had been signed off. The Board agreed to the rolling out of the new corporate brand in the new financial year.

2. Items for Discussion

2 (i) Risk Management Review

The Board was presented with a new draft corporate risk register for Tourism NI, together with a risk management framework and a risk appetite statement for approval. These had been developed over the last number of months and represented the outcomes of a review process that had looked at Tourism NI's entire approach to evaluating and scoring risk, looking not just at causes and consequences but also at opportunities that risks might present.

Discussing the updated register, the Board suggested that two new risks now needed to be taken into consideration. The first was the impact on tourism of Russia's war with Ukraine, given that this might lead to an unwillingness to travel, or possibly an increase in perceptions of Northern Ireland as a safe destination. A related issue was the current cost of living crisis and its impact on disposable income for holidaymakers. It was suggested that even if such risks could not be mitigated there was merit in identifying them and gathering evidence to assess their potential impact upon the sector. The Board also considered whether these should be more properly categorised as a generic risk of major external events requiring an emergency response, and the capability of Tourism NI to react to such events. Members suggested there was a need for a framework setting out actions and resources needed to respond effectively to such 'shock' events.

The Board was advised that the war had already had an impact on the promotional activity of a number of countries, including Tourism Ireland's 'global greening' campaign. It was also noted that Tourism NI had been discussing with the Department for Communities assistance that the tourism industry locally might provide to people displaced by the conflict.

It was agreed that detailed reporting on the Risk Register would continue to be brought to the Audit and Risk Assurance Committee, with reporting to the Board through the established means.

Members also discussed how risks could be better be linked to delivery of Tourism NI's strategic objectives and the outcomes set out in its Operating Plan. The Board agreed that as a standard housekeeping measure, the Register also should include a further risk, relating to ineffective governance controls (**ACTION:** LMCK / DD).

Commenting on the register overall the Board agreed that it was a good and thorough piece of work and commended the Business Planning and Improvement Manager David Daley for his work in supporting its development.

The Board was also asked to review and approve the risk management framework and the draft risk appetite statement which accompanied the Register. Commenting on the framework Members discussed the 'three lines of defence' model as applied to Tourism NI and suggested that this needed to be more clearly defined, in particular the distinction between the first line of defence (the corporate management team) and the second (internal audit and oversight functions). It was agreed that the document should be updated and brought to the Audit and Risk Assurance Committee for final approval (**ACTION:** LMCK/DD). Pending the required amendments, the Board was content to approve the risk appetite statement.

Geoff Wilson left the meeting to permit discussion of the next item.

2 (ii) Major Events

The Board was presented with a paper detailing current and emerging pressures on Tourism NI in relation to supporting the delivery of major events. In particular this highlighted that the demands made upon Tourism NI are not matched by appropriate staff resources, and the longer this situation persists, the greater the reputational risk to both Tourism NI and to Northern Ireland as a premier destination for major international events. Coming months will represent a critical period in particular as a sequence of major such requests are expected and in addition to bids underway or anticipated, feasibility work is taking place on a number of other high-profile events.

The Board was advised of recent discussions with DfE at which Tourism NI had argued the need for an agreed policy and process for the handling of major events along with appropriate structures and financial / staff resource. A further consideration in the current economic environment is the affordability of such events. This had to be balanced with the expectations of event organisers, local elected representatives and the media.

Members suggested that it would be useful to present the Department with an overview that set out events in the pipeline, the estimated value of each, and the required resource, with a proposal to establish an events taskforce for that purpose. Members were advised that a paper of this nature had indeed been in preparation for the NI Executive; however work had been paused in the light of recent political developments.

The Board urged the need for progress as soon as possible and commented that broader stakeholder engagement was needed, given the promotional value of events in promoting NI as a place to visit, work and invest. Members also debated whether Tourism NI should be responsible for the delivery of such events. They felt that where success is predicated on visitor numbers and economic benefit, Tourism NI has a primary role to play; this was noted to be the legacy of past success in handling events such as the 148th Open.

It was emphasised that until the Executive is sitting again and in a position to decide on a long-term approach, an interim solution is urgently needed so that Tourism NI can properly deliver on those events to which Northern Ireland is already committed. The Board had already requested a meeting with the DfE Permanent Secretary on the issue to agree the way forward. Members indicated that in accepting the role of SRO for The Open Championship due to take place in 2025, the CEO should make this dependent upon the necessary management resource being put in place. It was proposed that the Chairman should now write to the Department ahead of the next debrief meeting, highlighting the Board's concerns and repeating the request for a meeting (**ACTION:** TB / JMcG).

The Board also received an update on the submission seeking support for the North West 200 and Ulster Grand Prix. This had been the subject of some media interest since it was discussed at the previous meeting. It was noted that the substance of reporting in relation to Tourism NI's role had been inaccurate. The Chairman stated that he remained content with the Board's position, which was that while the events represented value for money there were serious questions about whether they were affordable and the regularity of the level of support sought, which was in excess of that set out within the events scheme parameters.

With the discussion concluded Geoff Wilson rejoined the meeting.

3. Reports

3 (i) Chairman's Report

The Board noted the details of the Chairman's engagements in the period since the last Board Meeting.

3 (ii) Chief Executive's Report

The content of the report was noted and the Chief Executive gave updates on a number of issues.

Members were advised that anecdotally, the outbreak of war in Ukraine was having a significant impact on tourism agencies' plans for the coming months. Work on visitor sentiment analysis is taking place however, it was noted that whilst international bookings were slowing down there had been no cancellations just yet. Similarly in the domestic market hotels were starting to see bookings slow as disposable incomes become squeezed through rises in the cost of living.

An update was given on recruitment, with a new Head of Programmes now appointed.

A report was given on ongoing conversations regarding the Shared Island Fund and the opportunities this might present for tourism. The Board was advised that a paper is in preparation on how tourism can contribute to the 'levelling up' agenda, and it was agreed that this would be shared with the Board when available.

The Board was also advised that following a meeting with the other UK national tourist boards, agreement had been reached to formally close the We're Good To Go Scheme at the end of March. A programme of industry communications is being planned that will highlight the good practice that has emerged as a result of the scheme and this will be incorporated into a 'working safely' document.

An update was given on challenges to completing work on the new Northern Ireland hub in Dublin city centre, and an options paper on this is being prepared by Invest NI.

The Board was also advised of proposals for a Northern Ireland showcase event in Dublin in early April.

3 (iii) Sub-Committee Reports

Reports were given by the sub-committee chairs as follows:

Finance & Casework Committee – The Board was advised that while the Committee had not met in the period since the last Board Meeting, it hoped to hold a meeting in the coming weeks to review the end of year budget position. The Board was advised of challenges in closing out on Economic Recovery Action Plan expenditure, as the picture is changing rapidly and this is likely to be where most slippage occurs, while the picture on Tourism NI's core budget spend is positive. Permission was being sought from DfE to react quickly to realign ERAP resource where necessary to maximise the use of these resources before the end of the financial year.

Audit & Risk Assurance Committee – The Committee had not met in the period since the last Board Meeting and an update was given on progress towards completing work on the Tourism NI Annual Report and Accounts for 2020-21.

Marketing Sub-Committee – A report was given on the Committee's meeting held on 9 March. This had considered the approach to marketing activity for the coming eighteen months or so, in anticipation of an 80% reduction in the marketing resource available. The Senior Management Team had recently received a presentation on the pilot project with the TXGB platform and it was agreed that it would be useful for the Board to receive a presentation later in the year, when work is more advanced (**ACTION: NW**).

4. Papers for Noting

4 (i) ROI Market Accommodation Reviews

The Board noted the content of a report setting out the findings of a report that looked at ROI visitors' reviews of accommodation in Northern Ireland. The report made clear that many felt the experience was not what it used to be; this appeared to mainly be as a result of industry-wide staffing and skills issues. The Board noted that while the current recruitment campaign was observed to be receiving a good reaction, it will run only to 31 March and the underlying issues will persist; there is a need for the industry to continue to press the case for action with government.

4 (ii) Draft Agenda for Next Board Meeting

The Board noted the proposed agenda for its next meeting.

5. Any Other Business

5 (i) Board-Industry Engagement

The Chairman invited comments from members on the previous evening's dinner with industry guests. The discussions had been very positive and the Board welcomed in particular the comments regarding the support that businesses had received from Tourism NI through the course of the pandemic. The Board suggested that there would be merit in undertaking a client survey to provide a fuller picture and it was agreed that this proposal should be further explored with the Department (**ACTION: DE**).

It was also suggested that there would be merit in developing a testimonial piece, perhaps a video, which could be shown as part of the process of briefing a new Minister or Permanent Secretary, or in corporate communications. The Board was also advised that a number of councils are working with ASM on a study of hotel capacity which might serve as the basis of an investment prospectus.

A report was also given on the sustainability day held recently for all Tourism NI staff and it was agreed that the link to presentations should be shared with the Board.

Members were advised of a proposal to hold an industry conference as a face to face event in May.

Discussing budgets, the Board also considered Tourism NI's role in relation to initiatives such as Peace Plus and the Shared Island. It was also noted that the Cabinet Office is keen to see ideas for the role that tourism can play in helping to deliver Phase II of the levelling up agenda

6. Date of Next Meeting

The next Board Meeting will be held on Thursday 12 May 2022.