

Board Meeting 11 August 2022

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD IN THE PRESIDENT'S SUITE, KINGSPAN STADIUM, BELFAST
ON THURSDAY 11 AUGUST 2022**

Participating:

- Ms Ellvena Graham (Chair)
- Ms Angelina Fusco
- Ms Anya O'Connor
- Mr John West
- Ms Patricia Corbett
- Ms Michele Shirlow
- Mr Colin Neill
- Mr Terry McCartney

In attendance:

- Mr John McGrillen, Chief Executive
- Ms Eimear Callaghan, Head of Programmes (item 2 (i))
- Ms Carolyn Boyd, Industry Development Manager (item 2 (i))
- Ms Una Foy, Finance Executive
- Ms Lesley Shannon, Head of Finance
- Mr Jim Daly, Executive Support Team

Apologies:

- Mr Geoff Wilson
- Ms Sarah Jayne Smith

1. Introduction / Standing Items

The Chair opened her first meeting by welcoming participants and looking forward to leading the Board in the coming months. Attendees were reminded that minutes of the meeting will be published and were asked if they wished to declare any interests or conflicts in relation to agenda items. No declarations were made.

1 (i) Minutes of Previous Board Meeting

Minutes of the Board Meeting held on 23rd June 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:

Skills – As part of a discussion of skills at its previous meeting, the Board had suggested contacting the Head of the Northern Ireland Civil Service to discuss how this issue could be addressed in partnership with DfC. The Chief Executive advised that such contact would need to be initiated via the Department for Economy and agreed to take this forward following a forthcoming meeting he had planned with the DfC Permanent Secretary (**ACTION:** JMcG).

Sponsorship – the Board had recommended the development of an evaluation grid for evaluating sponsorship requests. Members were advised that the Senior Management Team had recently discussed a draft proposal for more systematic consideration of industry sponsorship and would bring a paper to the Board once this work was complete.

Tourism Data Hub – Members had previously suggested that Tourism NI should consider the development of a dedicated data strategy. In discussing this proposal with the digital team, it had been recommended instead that Tourism NI should develop a ‘customer journey strategy’ which is now under consideration. This work will most likely require support from SIB.

2. Items for Discussion

2 (i) Tourism and Hospitality Skills Campaign Research

The Board was presented with the findings of research into the impact of the ‘Count Me In’ awareness campaign, conducted by Tourism NI as part of the Tourism Recovery Action Plan in collaboration with the Hospitality and Tourism Skills (HATS) Network. The purpose of the campaign was to help address issues of job recruitment and retention in the tourism and hospitality sector, by promoting careers and skills. Research methodology was outlined. The Board noted that research was benchmarked against the Scottish and Canadian markets and asked to be provided with detail of the rationale for selecting those comparators (**ACTION:** EC/CB).

The findings demonstrated that recruitment and retention is a greater problem for the hospitality sector than for tourism. Public perception of tourism and hospitality jobs is that they do not offer the things that people prize most highly from careers – job security, good salaries, the ability to take leave when needed, being valued as employees and opportunities for career progression. The research showed that the working experience of employees in the industry is at odds with how the industry wishes to portray those roles. There are also subtler distinctions between tourism and hospitality jobs in terms of perceived benefits, negatives and demographics.

It was emphasised that the impetus to shift the reality of the working experience and ultimately change perceptions needs primarily to come from business owners. Members discussed what Tourism NI’s specific role should be in moving things forward. It was noted that the support mechanisms to deliver change require a focused cross-departmental approach with meaningful investment. It was suggested that to this end Tourism NI should engage with the new Permanent Secretary of DfC and that he should be invited to a future Board Meeting (**ACTION:** JMcG).

The Board asked how research will be disseminated to the industry and was advised that it is planned to hold a workshop during the autumn as part of the TED programme, at which findings and toolkits will be shared. The Board also suggested that it would be useful to provide a matrix for use by businesses that shows all the routes to relevant support.

2 (ii) Budget Allocation

The Board was presented with a paper seeking approval to award support to Visit Belfast, for fulfilment of its visitor servicing functions. It had initially been proposed to reduce this support, reflecting the reduced budget allocation that Tourism NI expected to receive from DfE. However as the Department had since indicated that Tourism NI would be in a position to bid for further resource, it was now proposed that Tourism NI should reinstate the full award of support to Visit Belfast. The Board approved the proposal but recommended that Tourism NI should write to Visit Belfast indicating that this level of support can only be guaranteed for the current year, given the likelihood of continued future constraint on budgets (**ACTION: JMcG**).

2 (iii) Direct Award Contract – CRM System Support

The Board was presented with a submission seeking approval to grant a Direct Award Contract (DAC) for continuing specialist technical support to facilitate the roll-out of its new Customer Relationship Management system. Members were advised that implementation of the CRM system is particularly important to support Tourism NI's statutory duties, such as its certification and classification schemes. It was noted that Construction and Procurement Delivery (CPD) had reviewed the proposal and was content for Tourism NI to proceed. The Board granted approval to award the DAC.

3. Governance

3 (i) Quarter I Reports 2022-23 – Operating Plan Performance

The Board was presented with a report on Tourism NI's performance against Operating Plan objectives in the first three months of the year. The majority of objectives were noted to be on track. Members asked if it represented a fair assessment that objectives showing an amber status were largely due to factors beyond Tourism NI's control. The Chair indicated that in initial engagements with the Minister and DfE Permanent Secretary, her priority would be to seek urgent progress on matters such as the development of a Northern Ireland Tourism Strategy, and the implementation and resourcing of Tourism NI's organisational restructuring.

3 (ii) Quarter I Reports 2022-23 – Risk Management

The Board was advised that a detailed report on risk management in Q1 had been presented to the Audit and Risk Assurance Committee held on 5th August. Two additional risks had been added. The first of these was in respect of adequate resourcing of Tourism NI's finance team. This was felt to highlight the potential for a number of single points of failure within the current organisational structure. The Board agreed that the title of the risk, 'finance function not fit for purpose' should be reworded to reflect the risk being one of inadequate resource (**ACTION: DE**).

The other risk related to the resource required to deliver events including the bid to host the European Championships. As a consequence a temporary resource was now in place to fulfil the business support remit. The Board suggested that, while DfE had now allocated resource to develop a tourism strategy, this again underlined the need for a specific Northern Ireland events strategy. Members asked how the Board might support this ambition and were asked for the moment to note the risk to event delivery as a business case for additional resource was due to be submitted to the Department and the indications were this would be supported.

It was agreed that the detailed risk report would also be added to Decision Time (**ACTION:** JD).

4. Reports

4 (i) Chair's Report

The Board noted an initial list of engagements for the Chair since taking up post. She expressed the hope that she could help foster a closer working relationship between the Board and the Department's senior officials.

4 (ii) Chief Executive's Report

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

Visitor performance data indicated that the industry had enjoyed a good summer but the long-term outlook is more pessimistic, with consumer choices influenced by pressure on disposable income as a result of the cost of living crisis. VisitBritain had reported indications that fuel costs are impacting on domestic day trips, a trend which might be expected to affect domestic NI trips and cross-border visits also. For the moment however Northern Ireland still appears competitive when compared with RoI.

The Board asked about the international picture and was advised that while Tourism Ireland had seen strong performance in the early part of the year, especially from the US, in the longer term demand is expected to soften, especially in Europe. The management teams of Tourism NI, Tourism Ireland and Failte Ireland are due to meet soon and will discuss the situation. It was suggested that the Board should seek an opportunity soon to meet with its Tourism Ireland counterparts. Members suggested that for this and similar such engagements it might be useful for the Board to receive a short briefing that sets out the impacts and outputs of Tourism NI's most recent marketing campaigns. It was agreed that this would be done once the evaluation of the most recent campaigns was available (**ACTION:** NW).

The Board was advised that the Department was also proposing to review the impact of marketing activity and it was suggested that the Board should receive a detailed update on the marketing budget allocation and how that is deployed (**ACTION:** NW).

The Board also asked if it was possible to receive an analysis of arrivals via airports, indicating those arriving as holidaymakers and those returning from trips away (**ACTION:** DE).

An update was given on representations to UK government regarding the likely impact on coach tour operators of the requirement for visitors crossing the border to complete electronic travel authorisations.

4 (iii) Sub-Committee Reports

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

Finance and Casework Committee - The Committee had met three times in the period since the last Board Meeting. On 1st July the Committee met for an update on the Derry on the North

Atlantic (DNA) project as part of the City & Region Deal. At that meeting the Committee also received updates on a number of projects in the Experience Development Programme, granting approval to most and requesting further information on a small number of cases.

The Committee met again on 8th July and approved recommendations in relation to events support for Feile an Phobail and the Antrim Coast Half Marathon.

A further meeting was held on 1st August at which the Committee received a further update on Experience Development Programme projects for which queries remained to be resolved. Three further cases were approved and additional information was requested for another. The Committee also received a further update on the DNA project indicating that a revised outline business case will be required to reflect cost increases. The Committee also received a Finance report and noted an update from the Chief Executive on the current status of organisational restructuring.

Audit & Risk Assurance Committee – Angelina Fusco provided an update on the Committee’s meeting held on 5th August. The Committee had been joined by its new independent member, Gerard Byrne. Internal Audit Service presented reports on Tourism NI’s Website Improvement and Website Development Programmes, and on the Business Support and Financial Planning Programme. The Board was pleased to note that these all gave satisfactory opinions. An update was also given on progress towards finalising Tourism NI’s annual report and accounts for 2020-21. Discussions were continuing with the NI Audit Office regarding how funding to Tourism Ireland is represented in the accounts and its proposal to qualify the accounts in relation to the Bed and Breakfast Grant Scheme. This related to a self-declaration by grant recipients regarding their tax affairs and would be treated as a “limitation of scope” issue. The NIAO had qualified the accounts of other bodies on a similar basis. The Board was asked to note that this had been included within the support scheme guidelines as a risk mitigation, an approach which had been agreed with IAS. The Committee advised the Board of its view that any formal response to qualification of the accounts should underline its support of the management team’s approach to the issue. It is expected that the accounts will be presented to the Committee for approval early in September.

The Board was advised that the Committee had also approved a number of draft policies in relation to procurement, fraud prevention and whistleblowing. It was agreed that such newly approved policies should be shared with the Board via Decision Time (**ACTION:** JD).

Marketing Sub-Committee – the Committee met at Linen Mill Studios on 29th June and had received a briefing on Tourism NI’s current marketing activity and the results of a domestic market survey. Committee Members had also taken the *Game of Thrones* Studio Tour. The Chief Executive gave an assessment of the attraction’s current performance and the Board discussed how Tourism NI could offer support.

4 (iv) Organisational Restructuring

The Chief Executive provided the Board with an update on discussions with the Department regarding restructuring. Members were advised that the Department’s view is that new resource should be focused in three areas – the finance function, events delivery and support to fulfil delivery of City Deals projects. In the latter case DfE had asked Tourism NI to look at increasing the number of personnel assigned to City Deals, but for the moment Tourism NI is of the view that the current complement is sufficient to fulfil its agreed role. The Chief Executive had drafted a

proposal for submission to the Department. This is in the process of being revised and will be shared with the Board once complete (**ACTION:** JMcG).

4 (v) Resource Bids

A summary was presented of current bids to the Department for financial resource. Indications are that all bids will be met. These included a cost neutral bid for additional staff to support the certification work of the Quality and Standards team – it was noted that a further bid is likely to be required in order to extend such support into next year. An update was also given on staff salaries. Members were advised that a comprehensive budget profiling exercise is underway and that the outcome will be reported to the Board.

5. Papers for Noting

5 (i) Market Outlook

The Board noted the content of a report setting out the latest market performance and trends.

5 (ii) Draft Agenda for October Board Meeting

The Board noted the draft agenda for its next meeting, the date of which has been changed to 6 October. Members noted that the agenda is due to include proposed meeting dates for 2023 and asked that these be circulated as soon as possible ahead of the meeting (**ACTION:** JD).

6. Any Other Business

6 (i) Events

The Board discussed the pre-conditions attached to events support. It was noted that proposals for schemes are usually presented to and approved by the Finance & Casework Committee.

6 (ii) Boardroom Apprentice

Members were advised that the new Boardroom Apprentice Stephen Garvin will join meetings from 6th October onward and agreed that where participating in meetings and corporate events, he should be treated as a full member of the Board.

7. Date of Next Meeting

The next Board Meeting will be held on Thursday 6th October 2022.