

Board Meeting 23 June 2022

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD AT TOURISM NI HEADQUARTERS, LINUM CHAMBERS, BELFAST
ON THURSDAY 23 JUNE 2022**

Participating:

- Mr Terence Brannigan (Chairman)
- Ms Angelina Fusco
- Ms Anya O'Connor
- Mr John West
- Ms Patricia Corbett (by remote call)
- Ms Michele Shirlow
- Mr Colin Neill
- Mr Terry McCartney
- Mr Geoff Wilson
- Ms Sarah Jayne Smith, Boardroom Apprentice
- Mr John McGrillen, Chief Executive
- Mr David Roberts, Director of Strategic Development
- Ms Naomi Waite, Director of Marketing
- Ms Dot Erskine, Director of Strategy and Planning
- Ms Eimear Callaghan, Head of Programmes (item 2 (iii))
- Ms Claire Cromie, Digital Programmes Manager (item 2 (iv))
- Ms Dorothy Erskine, Head of Strategy and Policy (item 2 (iii))
- Mr Jim Daly, Executive Support Team

1. Introduction / Standing Items

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

At the outset the Chairman advised that as this was his last meeting he wished to thank the Boardroom Apprentice Sarah Jayne Smith for her participation in the Board's work over the last year. He advised that the new Boardroom Apprentice Stephen Garvin would join meetings from September onward. Colin Neill agreed to act as the Board 'buddy' to support induction and mentoring of the new candidate.

Participants were asked if they wished to declare interests in relation to agenda items. No declarations were made.

1 (i) Minutes of Previous Board Meeting

Minutes of the Board Meeting held on 12th May 2022 were approved as an accurate record, subject to a small amendment.

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:

Tourism Order – the Board had previously been advised of DfE’s proposals for revisions to the Tourism (NI) Order 1992. Consideration is being given to minor amendments that can be made until resource is in place to undertake a more comprehensive review.

Organisational Structure / Events – the Board was advised of the status of discussions with the Department on organisational structure generally and in particular, future frameworks for events support. Tourism NI had highlighted its resource needs to DfE emphasising the risk of having a number of potential single points of failure within the organisational structure. A paper had been submitted to the Department with a proposal to create a better resourced events unit, initially with a view to support the delivery of the Open in 2025 and supporting the bidding process for Euro 2028. It was agreed that this paper should be shared with the Board for information (**ACTION:** JMcG).

Also noted were pressures on Tourism NI’s certification and classification activity. A bid had been made for additional resource; however indications are that in the current financial climate, this is unlikely to be available. The Board asked if the impact of budgetary constraints had been assessed and it was confirmed that scenario planning was presented to the Finance & Casework Committee. While the Committee had also approved proposals for budget allocation, these had to be revisited following confirmation from the Department that Tourism NI would receive a capital allocation.

Members suggested that it would be prudent to set in place a contingency buffer of unallocated resource to deal with cost increases that might arise, including salaries. It was confirmed that a bid had been made for such a purpose, but that as things currently stood we were operating with a flatline budget which was in effect a budget cut in real terms.

The Board was also advised that a planned meeting to discuss structure with the DfE Permanent Secretary had been postponed until 18 August. The Chairman expressed his disappointment that the long running issue of Tourism NI’s structure had not been settled during his tenure and urged the Board’s continued pursuit of a resolution. These issues are to be picked up at a forthcoming meeting with the Department and the Chief Executive also undertook to share with the Board papers from DfE’s recent ‘partnership day’ (**ACTION:** JMcG).

Skills Campaign – an update is scheduled to be included on the August Board Meeting agenda. Noting reports on the increasing number of economically inactive people in the 18-24 age group, the Board commented that the tourism and hospitality sector presents a significant opportunity for Government to address this issue and to provide routes into employment, particularly via social enterprises.

The Board suggested a minor amendment to the previous minutes referencing this topic (**ACTION:** JD). The role of the HATS network was also discussed. The Board also noted that the hospitality sector is not represented on the Department’s Skills Board and suggested that this should be addressed.

2. Items for Discussion

2 (i) Capital Budgets Update

The Board received an update on the Department for Economy's allocation of a capital budget to Tourism NI. While the Senior Management Team originally expected that discussions with EDF grant applicants would need to be framed around the lack of capital funds, the position was much more positive as DfE had now confirmed a full allocation. The Board agreed that this was a positive development but suggested there was a need for a conversation with DfE regarding the challenges of achieving budget spend within one year. Members commented that as it was already some weeks into the new financial year a more timely notification would allow Tourism NI to better plan a work programme and begin prompt implementation of schemes. The Board suggested there was a need to adopt a more long-term strategic approach that allows for better and more effective use of capital resources and avoids the need to reallocate or surrender funds at year end.

The Board was content with the approach set out in the update paper and it was agreed that the Senior Management Team would provide an update on plans for the capital budget once these are more fully developed (**ACTION**: SMT).

2 (ii) Familiarisation (Fam) Trips

At its last meeting the Board requested a report on the substance and impact of fam trip activity, in the context of a report on Meet the Buyer 2022. A presentation was now delivered that set out the purpose and scope of fam trips and highlighting Tourism NI's work to deliver its fam programme with partner agencies including Tourism Ireland, VisitBritain and DMCs. In 2019-20 media visits activity resulted in the delivery of 516 itineraries; as a result of the pandemic this reduced to 123 programmes in 2020-21. This had resulted in media coverage worth £69.2m in 2019-20 and £176.6m in 2020-21 (with the increase due in part to some coverage that had been delayed).

Fam procurement was noted to be delivered by a small team, but is worth around £400k per annum to the tourism sector. Ongoing challenges were outlined including COVID, limited budgets for travel / accommodation / food and drink; transport costs, filming fees and bedspace pressures. Also highlighted were governance constraints upon Tourism NI in organising hospitality for visiting journalists and operators, within the scope of a fam framework developed for that purpose in line with Internal Audit Service guidance. It was felt that the framework is disproportionate in respect of associated risk and costly to administer. The Board felt that the primary focus should be on developing itineraries and targeting outlets that secure the best possible coverage for Northern Ireland. Members suggested that a paper should be developed for consideration by a future meeting of the Audit and Risk Assurance Committee, setting out proposals for a revised framework that permits Tourism NI to deliver fams more effectively while maintaining good governance (**ACTION**: NW).

The Board was presented with examples of how fams can generate quick conversion to sales. It was noted that other agencies had trialled media evaluation tools for this purpose but there was not a straight correlation. The Board was advised of the impact and reach that can be achieved

with pieces by well-known journalists or influencers and the value of pieces on local food or drink or the golf product.

The presentation also touched on work with group leisure and incentive business, in partnership with bodies such as the Incoming Tour Operators Association (ITOA). The Board was advised of the hugely positive feedback received in surveys post-Meet the Buyer. Members agreed that showcasing Northern Ireland in this fashion was another important area of work needing to be properly resourced in order to be fully effective. It was also emphasised that fam activity is dependent upon long-established relationships with industry and media that are well-maintained. The Board suggested that there was a need for a video piece that could be presented to engage industry and elected representatives and to emphasise the worth of this activity. The Chairman indicated that he would continue to press the resourcing issue with DfE ahead of his departure.

2 (iii) Golf Strategy

The Board received an update on a review of the Northern Ireland Golf Strategy. The review had originally been completed in early 2020 with the aim of assessing whether the principles outlined in the Strategy remained sound, or required revisiting – however presentation of the results to the Board was delayed as a result of the Covid outbreak. The work was now being further re-evaluated both to reflect the impacts of Covid and to take into account more recent developments in the golf market, including new research activity and the announcement of a return to Northern Ireland of the Open Championship, expected in 2025. The Board was advised that it will be difficult to establish a true picture of the economic value of golf to Northern Ireland tourism until markets fully resettle post-pandemic and therefore for now the terms of the review were considered to be prudent.

Members discussed the opportunities for visitors wishing to include golf as part of a larger itinerary, rather than being the sole purpose of visit – availability of tee times was noted to be a key issue and it is felt there is a need to align the golf product more closely with the experience brand. There is also a need to maintain connections with smaller golf courses providing a greater range of options for visitors wishing to play, but the issue of available staff resource again makes this difficult.

The Board was content to approve the publication of the findings and support the direction of travel set out in the review.

2 (iv) Data Hub Outputs

The Board previously requested a report on the outputs being derived from the Tourism NI Data Hub and a presentation set out the scope of this work and the results achieved. An overview was given of data gathering activity together with a recap of the strategy, which focuses on the production of real-time data that supports Tourism NI in making better strategic and operational decisions, covering issues such as visitor footfall, spend, demographics and the correlations between these. At present the key consumers of the information are internal but there is potential for the data to support the industry in making better evidence-based decisions.

The presentation set out the format of raw data and how these are interpreted and analysed. Discussions touched on the further uses of data and how this could support better use of the CRM system, as well as the associated data security issues. The Board agreed that further discussions

of data could be better taken forward under the Marketing Sub-Committee. It was emphasised that the hub remains a work in progress and that the last two years had largely been spent in data gathering and establishing what the system is capable of doing, however there are opportunities to explore its further potential. However a challenge was presented by an audit query regarding the use of capital resource for the Data Hub and this requires resolution, with much of the work temporarily on hold as a result.

The Board was broadly content with the detail provided but suggested that there is a need for a more detailed data strategy setting out a vision for how Tourism NI might fully exploit the potential of the tools and information at its disposal – it was agreed that the Chief Executive would ask Dave Vincent and his team at SIB to look into this (**ACTION:** JMCG).

3. Reports

3 (i) Chairman's Report

Details were noted of engagements undertaken by the Chairman in the period since the last Board Meeting. Reflecting on the recent Tourism Conference, the Chairman commented that it had been a hugely informative and entertaining event, presented in a thoroughly polished and professional way. He commended the staff involved in organising the conference and it was agreed that recordings of the speakers' presentations would be shared with the Board when available (**ACTION:** JD).

3 (ii) Chief Executive's Report

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

The Board was advised that the picture on tourism performance in summer is looking positive; however there are issues with accommodation capacity in Belfast and options for short term measures to address this had been discussed at a recent Board Meeting of the Ni Tourism Alliance. It was suggested that there may be a need for some work with the Department for Communities to address associated issues such as affordable housing and the use of residential properties as visitor accommodation. It was also emphasised that some of these issues may be short-term matters precipitated by pent-up demand post-Covid and the refugee crisis precipitated by the conflict in Ukraine, and that the picture next year may be very different.

The Board was also advised of the Minister's desire for regular meetings with arms-length bodies, to keep him apprised of current issues, key priorities and challenges. The Chief Executive had participated in one such briefing and this had been a positive engagement that offered the chance to highlight that recovery is unlikely to be linear.

The Board was also advised that Tourism NI had met with the Invest NI Review Team highlighting areas of Invest NI activity that might sit more comfortably with Tourism NI, but resource would be required in order to take on delivery of these. The Board was also advised of the substance of a recent workshop held by DfE with its arms-length bodies, stressing the need for a more partnership-focussed approach to delivery. It was emphasised also that the budget picture for the Department indicates that there are significant financial pressures expected in the years ahead.

An update was also given to the Board on steps taken to address resource pressures within Tourism NI's Finance Team.

3 (iii) Sub-Committee Reports

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

Audit & Risk Assurance Committee – There had been no meeting in the period since the last Board. The Committee is next due to meet on 5th August.

Finance and Casework Committee - The Board received reports on two meetings of the Committee. The first of these on 15th June was held to consider the Destination Royal Hillsborough project, part of the Belfast City Region Deal. The value for money assessment had now been received indicating that the DfE economist was content with the project. It was agreed that further engagement would take place with DfE ahead of its Casework panel meeting.

The Board was content to approve the Committee's recommendation to progress the project to DfE Casework.

The Committee then met again on 17th June and following a presentation of the approved allocation of the marketing budget. Also presented were updates on thirteen projects under the Experience Development Programme, amounting to some £3.4m in support. In each of these cases the Committee had requested additional information to permit a decision to be made. There were still issues of concern, including the ability to complete delivery within a very tight timeframe, and to that end the Committee had recommended the inclusion of a deadline clause for commencement of work as a condition within letters of offer. A few projects required additional information to be submitted and in the case of one project, the Committee was of the view that the value for money for money case had not yet been demonstrated.

Discussing the City Deal project the Board emphasised the importance of sharing and monitoring the issues log to ensure the issues recorded are addressed. It was noted that the Committee's endorsement had been made subject to the issues set out in this being addressed in a satisfactory way. The Board was also advised that a recurring issue with City Deals projects has been the need for further detail to be requested from applicants' sponsor teams involved in preparing submissions. The Department had been made aware of this.

Noting the update the Board was also content to approve both the allocation of the marketing budget, and the Committee's recommendations in relation to EDP projects.

Marketing Sub-Committee – the Committee had not met in the period since the last Board Meeting. Its next meeting is due to take place at Linen Mill Studios on 29th June.

4. Papers for Noting

4 (i) Draft Agenda for August Board Meeting

The Board noted the proposed draft agenda for its August meeting.

5. Any Other Business

5 (i) Direct Award Contract – Accountancy Services Support

The Board ratified its approval by correspondence of a request to award a Direct Award Contract to provide Accountancy Services Support for Tourism NI, given the resource pressures on the Finance Team.

5 (ii) VisitBritain

The Board was notified of the appointment of Patricia Yates as the new CEO of VisitBritain.

Patricia Corbett gave a short report on proceedings at the recent VisitBritain Board Meeting and on a presentation given by the VisitBritain / VisitEngland CEOs to the UK Department of Culture, Media and Sport on inbound tourism. This had identified a trend suggesting that the cost of living crisis is having an impact on domestic tourism, with petrol prices making consumers reluctant to undertake long journeys to northwest England. The Board remarked that a similar trend might emerge with ROI visitors to Northern Ireland and suggested it might be worth seeking an economic briefing for a future meeting (**ACTION:** DE).

5 (iii) Chairman's Departure

The Board members offered warm congratulations to the Chairman and to Patricia Corbett on their receipt of Queen's Birthday honours.

As this was Terence Brannigan's last meeting as Chairman the Board made a presentation and wished him well for the future. Saying that his tenure as Chairman had been hugely satisfying and one of the most rewarding experiences of his career, Mr Brannigan thanked Members for their support over the last seven years and offered warm best wishes to his successor, to the Board, the Senior Management Team and to all the staff of Tourism NI.

6. Date of Next Meeting

The next Board Meeting will be held on Thursday 11 August 2022.