

Board Meeting 27 January 2022

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD BY REMOTE CALL
ON THURSDAY 27 JANUARY 2022**

Participating:

- Mr Terence Brannigan (Chairman)
- Ms Angelina Fusco
- Ms Anya O'Connor
- Mr John West
- Ms Patricia Corbett
- Ms Michele Shirlow
- Mr Colin Neill
- Mr Terry McCartney
- Mr Geoff Wilson
- Ms Sarah Jayne Smith, Boardroom Apprentice
- Mr John McGrillen, Chief Executive
- Ms Lesley-Ann O'Donnell, Head of Programmes
- Ms Aine Kearney, Director of Business Support and Events (from item XX)
- Ms Naomi Waite, Director of Marketing (from item XX)
- 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. Angelina Fusco declared an interest in respect of the HMS Caroline item. It was agreed that she should withdraw from the meeting to permit discussion of that item, and that Geoff Wilson would leave the meeting during an events update to be given as part of the Chief Executive's report. Colin Neill and Patricia Corbett also advised that they would need to temporarily withdraw, to participate in other meetings during the course of the day.

The Chairman and Board also extended warm congratulations to Colin Neill on his MBE award in the New Year Honours.

1 (i) Minutes of Previous Board Meeting

Minutes of the Board Meeting held on 16th December 2021 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. The Chief Executive advised that arrangements were being made to hold the next Board Meeting in the Mid-Ulster area.

The Board was also advised that following its representations on the issue, the Department for Economy (DfE) is looking at assigning resource to undertake a review of those elements of the Tourism (NI) Order 1992 which urgently require amendment. The Chief Executive also reported that the Department was working, with input from Tourism NI, to prepare a paper for the NI Executive on delivery of major events. A fuller update would be given during the course of the meeting. The Board agreed that progress is urgently needed on these matters ahead of the likely forthcoming election and asked for this to be reinforced at the forthcoming debrief with the Department. Members noted a related issue is Tourism NI's capacity to deal with the anticipated workload in the coming months.

The Board agreed to alter the order of the subsequent agenda items.

2. Items for Discussion

2 (i) Tourism Data Hub – Renewal of Direct Award Contracts

The Board was presented with a request to renew the direct award of contracts to two data providers supplying rich real time statistics on visitor activity, which supports Tourism NI's data hub. Central Procurement Directorate had previously recommended a three-year contract; however the Board had agreed that it should review and approve renewal at the end of each year. It was further noted that as DfE had asked Tourism NI not to enter into any commitments for the next year pending agreement of the budget for 2022-23, approval would be subject to an agreement on the budget and the necessary resources being available.

The Board agreed that Tourism NI had derived a huge amount of useful data from the work, and was advised that this had informed the development of better business cases and post-project evaluations. Members asked if the industry was deriving any value from the data. It was noted that the local authorities had made good use of this. It was also observed that businesses are more likely to derive benefit from the broader learnings as interpreted and disseminated by Tourism NI, rather than from using the data themselves. Further consideration also needed to be given to how this data could be made more accessible. The Board approved the awarding of the contracts, subject to the availability of resource as outlined above, and suggested that it would be useful to have a fuller update at a future meeting on the outputs and benefits of the Data Hub. **(ACTION: JMCG).**

Angelina Fusco left the meeting to permit the next item to be discussed.

2 (ii) HMS Caroline

The Board was presented with a paper seeking permission to extinguish the Letter of Offer issued by Tourism NI for the HMS Caroline project, including conditions on the clawback of grant. This was at the request of DfE, which is seeking to establish an endowment fund to secure the ship's long-term future in Northern Ireland. The Board was advised that the proposed endowment fund will set in place new conditions that fulfil and supersede those set out in the original Letter of Offer, and will ensure that HMS Caroline continues to operate in Belfast as a visitor attraction until at least 2038. It would also mean that no further claims would be submitted to Tourism NI for funds as yet unpaid which were retained pending the submission of the full supporting documentation. It was confirmed that SMT had sought legal advice on the matter and there would be no risk to Tourism NI arising from the new arrangement. The Board approved the proposal, agreeing that it represented a sensible solution.

2 (iii) City of Culture Presentation

The Board was joined by representatives of Armagh, Banbridge and Craigavon Borough Council, who delivered a presentation on work to develop the Council's bid as one of eight cities shortlisted for UK City of Culture in 2025. At the outset the Council expressed thanks for the valuable advice and support already received from Tourism NI's Senior Management Team in getting to this stage. The presentation set out the process to date and details of the proposed programme of activity, the aims in terms of immediate benefits and longer term legacy, and the likely funding requirements in the event of the bid being successful. It was noted that the scale of the opportunity and the potential legacy had been underlined by the example of Derry-Londonderry's tenure of the UK City of Culture title in 2013.

The Board discussed the estimated funding requirements and observed that in the very difficult economic conditions post-pandemic, these were likely to prove challenging to secure. Commenting that the bid was strong, Members also noted that the civic pride element would be extremely important in reviving confidence and prosperity. The Board thanked the Council representatives for the presentation and offered their best wishes for the bid's success, advising that Tourism NI will support the efforts in any way that it can.

3. Reports

3 (i) Chief Executive's Report

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

Budgets – a full update was given on recent engagement with DfE regarding the budget prospects for 2022-23. The Board was advised that given the substantial resource pressures faced by the Department as a whole and across government, the Senior Management Team has been working on the assumption that Tourism NI could be facing a substantial reduction in its resources. This would likely be a key topic at the forthcoming debrief. The Board also discussed issues around resources to stimulate business tourism, expressing concerns that lobbying activity by VisitBelfast could result in budgets being reallocated to this area whilst there continued to be unnecessary duplication in destination marketing. Members also raised the impact that budgetary constraints

are likely to have upon major areas of forthcoming work and proposals such as the City of Culture bid discussed earlier.

Economic Recovery Action Plan (ERAP) - The Board also received a report on a recent meeting of the Programme Board which monitors the ERAP resource allocated to Tourism NI. A good deal of further progress had been made on project delivery and spend, and as a result the risk of underspend had diminished, and the programme was in a much more positive position. Further updates would be given to the Finance and Casework Committee.

Marketing Campaign - Members were advised that the Spring Marketing Campaign had been launched in NI and ROI, following a slight delay as a result of the emergence of the Omicron COVID variant. An update was also given on the Experience Development Programme, which had received a great deal of interest; however there were a significant number of unsuccessful proposals to what had been a very competitive process and feedback was being offered to applicants. The Board was also advised that the launch is imminent of a new skills campaign.

Geoff Wilson left the meeting to permit the next item to be discussed.

Events – The Board received a verbal update on proposals to bring a number of major high-profile sporting events to Northern Ireland. Discussions around some of these events had been the focus of intense lobbying by elected representatives. The Board commented that pressures of this nature placed Tourism NI in a difficult position by seeking to circumvent established schemes for event support and underlined the pressing need for an agreed framework for support and delivery of such events. It was in this context that DfE is seeking to prepare a paper to the NI Executive proposing a framework on future delivery of events. This was a matter that urgently needed addressed, not only in anticipation of the forthcoming election but because the events team within Tourism NI is already stretched beyond capacity in dealing with events on this scale.

The Board agreed there was an urgent need to identify what the future overarching events strategy for Northern Ireland will be, to secure sufficient resources, skills and experience to deliver on that and also to clearly define what role Tourism NI will play. To progress this issue the Board agreed that the Chairman should write to the Permanent Secretary, emphasising the issues that the current situation is creating for Tourism NI and requesting he meet with a small group of Board Members to discuss these issues in greater detail and seek clarity on the way forward. **(ACTION: JMcG).**

An update was also given on a proposal regarding support for the Ulster Grand Prix and North West 200. The levels of support being sought were well beyond those set out within Tourism NI's International Events programme and if they proceeded would represent a significant call on a very limited events budget. The Board agreed that the proposals were outside the limits both of Tourism NI's resources and priorities for events support, and could not be deemed to represent value for money when compared alongside other activity which would offer a greater return on investment. Members commented that this would be likely also to result in similar approaches being made to Ministers in future years and agreed that such demands on its resources are unsustainable. It was agreed that these points should be reinforced at the debrief meeting.

At this point the meeting paused for lunch, following which Geoff Wilson rejoined the call.

4. Items for Discussion - Continued

4 (i) Tourism NI Corporate Brand

The Board was joined by Tourism NI's Director of Marketing and by representatives of BBDO for a presentation on proposals for a new corporate brand for Tourism NI. At the start of the presentation the Chairman conveyed the Board's thanks to the BBDO team for its work to assist Tourism NI's activity throughout the course of the last eighteen months, focussed on supporting the industry's survival and recovery.

The presentation set out the design concept and principles underpinning the new corporate brand. This was intended to align with the Embrace A Giant Spirit experience brand, adapting its look to create a new logo and iconography more suited to a dynamic modern organisation, with a formal and authoritative corporate identity. Examples were presented of how the new branding could be used in multiple contexts. The Board was also advised that with much of Tourism NI's activity now being in the digital space, the costs of implementing the new brand would be negligible.

The Board's feedback on the brand was very positive, and Members made a number of constructive suggestions on ways in which the logo and associated imagery might be improved. The Board agreed that work to refine the brand could proceed, with further updates to be presented to the Marketing Sub-Committee for feedback and approval (**ACTION: NW**).

The Board thanked BBDO again for the presentation and for the work it had done to support Tourism NI, and they left the meeting.

5. Reports - Continued

5 (i) Chairman's Report

The Board noted the content of the Chairman's report on his engagements since the last Board Meeting.

5 (ii) Sub-Committee Reports

Finance and Casework Committee – Michele Shirlow presented the Committee's recommendations arising from recent meetings to discuss City Region Deals projects:

Gobbins Phase II – The Committee met on 18 January to discuss a revised submission for the Gobbins project, arising from a review of costs by Central Procurement Directorate. This had been necessary because of inflation in construction costs. As a result Mid & East Antrim Council had undertaken a 'scaling back' exercise to ensure that revised proposals remained within the scope of the costs originally identified. It was emphasised that while this involved removing some elements of the project, the revised proposals would not impact upon the quality of the visitor experience that Phase II offers. The Committee's discussions had focussed on visitor projections and the need for these assumptions to be tested as part of the full business case, emphasising the need for a robust marketing plan. Members had also discussed at length the risks associated with a construction project of this scale and complexity in a challenging physical environment and the potential for delays that this created. The need for infrastructure to support traffic management

at the site was also discussed by the Committee. In addition to assurance on these issues the Committee had also asked for a high-level timeline and for further detail on costs associated with professional fees. However, based on its discussions the Committee was content to recommend that the project should proceed for consideration by the DfE Casework Committee, and the Board now granted its approval.

Derry-Londonderry on the North Atlantic (DNA) – The Committee had met again on 24 January to discuss a proposal from Derry and Strabane District Council for a capital project centred on development of a maritime museum at the Ebrington site. The Committee discussed several issues with this project which it felt required further clarification. Principal amongst these was Tourism NI's role as project sponsor; Members felt that tourism represents only part of the project. A significant proportion of the projected benefits are non-economic cultural, heritage and community elements and the Committee felt strongly that it is not best placed to evaluate these in order to make a recommendation on an investment decision. Members had indicated on the basis of their discussions that while a value for money case for support could not be made based solely on the tourism benefits, the non-economic benefits would make it viable, but further validation of those benefits is required; to that end input had been sought from the Department for Communities.

The Committee had also discussed assumptions made on visitor footfall and particularly of zero displacement, given that the Council's intention is to close two established visitor attractions elsewhere in the city and consolidate their assets in this one site. The Committee also noted the Council's plan to indefinitely underwrite shortfalls in running costs, without any cap. Members felt strongly that this would represent a risk to the public purse. The Committee agreed that the mix of tourism and other benefits taken as a whole made the project worthy of consideration and it should progress to the casework stage, on the proviso that additional information is required with the matters of concern to be captured and monitored in an issues log, a letter to be sought from DfC on the non-monetary benefits and further assurance to be sought from the Council on the underwrite. The Board approved the case to proceed, subject to the additional documentation being provided in full (**ACTION: LO'D**).

Audit and Risk Assurance Committee – while the Committee had not met in the period since the last Board Meeting, an update was provided on work to complete the audit of the Tourism NI Annual Report and Accounts for 2020-21, with fieldwork complete and outstanding queries being addressed. The Board was also advised of measures taken to address resource pressures on the Finance Team. Noting that the Finance Director had been unwell the Board extended its best wishes for her speedy recovery and endorsed any actions that might be required to address the workload.

Marketing Committee – the Committee had not met in the period since the last Board Meeting.

6. Governance

6 (i) Quarter III 2021-22 Reports: Operating Plan Performance Monitoring

The Board noted the content of the report on performance against objectives. Members were advised that the areas of greatest challenge to fulfilling objectives are in progressing the tourism strategy and planned overseas activity. The Board was advised that Tourism NI had been provided with a early draft of the Tourism Strategy and is hoping to see further progress on this by the time

of the Board's strategic awayday in early February. Members commented that it would be important for the Board to have sight of the strategy ahead of the awayday or any public consultation.

The Board was also advised of ongoing work on the new corporate risk register, and it was noted that John West had been asked to review the register ahead of presentation to the full Board.

7. Papers for Noting

7 (i) Market Outlook Report

The Board noted the content of a report by the Insights and Intelligence team, looking at visitor trends and the anticipated picture for the next twelve months. Members commented that it would be useful for the report to give some detail on visitor sentiment – it was agreed that the team would be asked to supply this as there had been some useful detail (**ACTION: DE**). The Board also noted the results on spend from the ROI market, driven both by an increase in visitor numbers and the perception that Northern Ireland represents good value for money. It was also felt that the results demonstrated the value of the marketing activity undertaken by Tourism NI. The Board was advised that the domestic and ROI markets are likely to remain important for the foreseeable future, while the industry recovers. The Board also discussed the possibility of doing some social media tracking of the new Kenneth Branagh film *Belfast*, to assess whether it may drive any boost or referrals.

7 (ii) Draft Agenda for Next Board Meeting

The Board noted the proposed agenda for its next meeting.

8. Any Other Business

8 (i) Boardroom Apprentice

The Board agreed to continue to participate in the Boardroom Apprentice programme.

8 (ii) Board Awayday

An outline was given of the proposed agenda for the awayday and members suggested some amendments that might permit more Board discussion. It was noted that the Minister has still to confirm attendance, although he had indicated that he hoped to come along. Colin Neill suggested that there might be merit in preparing a 'podcast' summary for members beforehand.

8 (iii) Gateway Digitisation Scheme

The Board agreed that the Finance and Casework Committee could consider approval by correspondence of a paper on proposals for a gateway digitisation scheme.

Ahead of bringing the meeting to a close the Chairman thanked those participating for their time and effort. On behalf of the Board he also offered his warm best wishes to Lesley-Ann O'Donnell, who was leaving Tourism NI to take up a new post.

9. Date of Next Meeting

The next Board Meeting will be held on Thursday 10 March 2022.