

Board Meeting 31 August 2023

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD AT TOURISM NI HEADQUARTERS, LINUM CHAMBERS
ON THURSDAY 31 AUGUST 2023**

Participating:

- Ms Ellvena Graham OBE (Chair)
- Ms Aine Gallagher
- Ms Linda MacHugh
- Mr Colin Johnston
- Mr Ciaran O’Neill
- Ms Aileen Martin
- Mr Stephen Garvin

In attendance:

- Mr John McGrillen, Chief Executive
- Ms Aine Kearney, Director of Events (item 2 ())
- Mr Jim Daly, Executive Support Team

1. Introduction / Standing Items

Opening the meeting, the Chair offered a warm welcome to the group of newly appointed Board Members. Participants were reminded that minutes of the meeting will be published and were asked if they wished to declare interests or conflicts in relation to agenda items. No declarations were made at this point.

1 (i) Minutes of Previous Board Meeting

Minutes of the last Board Meeting held on 30th March 2023 were presented and approved as an accurate record.

1 (ii) Matters Arising – Actions from Previous Meeting

The Board was presented with a schedule of actions agreed at the last meeting and outstanding from previous Board Meetings. For the benefit of the new Members the Chief Executive outlined the background to these issues. Noting that the status of many of these actions remained ongoing, the Chair requested that the Executive Leadership Team should seek to firmly conclude as many of these actions as possible in coming weeks.

It was agreed that a report should be given at the next meeting on the recent product review (**ACTION: DR**).

It was further agreed that once the three remaining Members have been appointed and the Board is again at its full complement, the structure and composition of its sub-committees should be reviewed (**ACTION:** JMcG). Additionally, the full Board should receive a report on the learning journey to Slovenia undertaken earlier in the year (**ACTION:**DR).

The Chief Executive advised Members of a forthcoming UK Inbound Convention which is due to take place in Belfast in late September and agreed to circulate details of a date and time for a Board engagement (**ACTION:** JMcG).

At this point the Board received an update on an issue relating to Tourism NI's Quality and Standards team. The Board had previously been advised that Tourism NI had proposed to re-designate the inspectors' homes as their places of work following a request from members of the team and a temporary contract had been put in place pending the conclusion of discussions with DfE officials and the completion of a business case. This was based upon legal advice which TNI had received and on the basis that the additional estimated cost would be more than offset by efficiency savings and the benefits of employee engagement and retention.

Tourism NI had advised the Department of its intentions but DfE subsequently indicated that it was unlikely to approve this approach as it deemed such an approach as novel and contentious and repercussive across the service. Board members pointed out that there were two separate issues which needed be resolved, one being the temporary contractual arrangements and the other being the longer-term issues. They asked that management seek a pragmatic solution to the problems at hand to avoid legal action being taken by the employees concerned.

2. Items for Discussion

2 (i) Tourism NI Operating Plan 2023-24

The Board was presented with a final draft of the Operating Plan for 2023-24. A draft Plan based on a projected programme budget had been presented to the Board in March, on the understanding that a final Plan would be presented for approval once the final budget allocation was known. The Board was advised that the Plan was developed to align with outcomes set out in the 10X economic vision and to support their delivery. Members commented that the document represented a detailed and comprehensive plan with clearly defined targets, but as it remains at an early stage in the reporting cycle, a fuller sense of how realistic or challenging these are would only emerge as the year progresses. A change in terminology used in the Plan to reference 'initiatives' rather than objectives was noted to align more closely with DfE phraseology.

The Board discussed the areas of activity where additional resource had been allocated following receipt of the final budget settlement. It was noted that the key focus had been to preserve Tourism NI's marketing capability as much as possible, both in terms of its campaigns and the co-operative marketing fund which had previously proved to be very successful. The Board also noted the proposal that had been presented with the draft budget in March, that Tourism NI should not proceed with a National Tourism Events Sponsorship Scheme in 2023-24 and endorsed this approach. It was observed that most events which had applied to the scheme were proceeding anyway.

2 (ii) Tourism NI Budget 2023-24

In tandem with the Operating Plan the Board was presented with the confirmed 2023-24 budget allocation for approval. At its meeting on 30 March, the Board had been provided with a draft budget, as confirmation of the final budget allocation was then still awaited from DfE. The draft budget was based upon information available from the Department at the time and the Board had granted approval for this, to permit Tourism NI to carry on with its planned activity. The Board had also agreed that the focus of any further resource allocated to Tourism NI should be weighted towards marketing activity.

The programme budget was noted to be £10.6m and the Board was advised that within the administration budget there is a £400k pressure relating to staff salaries. To address this Tourism NI had made a bid to the Department for further resource but should this not be forthcoming, alternative proposals as to how this deficit could be met would be brought to the Board for approval. In the interim budgets are being monitored and managed carefully to identify efficiencies. Details of the capital budget were also outlined; the Board was advised that these would require scrutiny as the budget allocated was substantially less than that which had been requested to meet expected demand.

The Board approved both the Operating Plan for 2023-24 and the final budget allocation.

2 (iii) Performance Reports: Operating Plan 2022-23 Q4 and Operating Plan 2023-24 Q1

The Board was presented with two reports on performance by Tourism NI against its Operating Plan objectives, as at the end of the full 2022-23 reporting cycle and at the end of the first quarter of the 2023-24 year. Reviewing activity for the year the Board noted challenges that had been presented with regard to certification and classification schemes, both in terms of the categorisation of accommodation categories and Tourism NI's ability to charge fees for its schemes.

Noting the content of the reports the Board was pleased to see the outcome of the Investors in People review, which was broadly very positive. Members were advised that staff surveys are being undertaken to further explore those areas where opportunities for further improvement had been identified.

2 (iii) Risk Management

The Board noted a report on corporate risk management in the first quarter of the 2023-24 year. While the report would normally be reviewed in advance of the Board Meeting by the Audit and Risk Assurance Committee, this had not been possible in the absence of a full complement of Board Members. Reviewing the report, Members commented that consideration should be given to reframing Risk 2, which referred to the potential impact of continued political instability upon the development of the tourism sector.

It was proposed that as part of the induction process for the new Board Members it would be useful to have a briefing session devoted specifically to risk management processes and to identify any gaps in the current register. Also proposed was the inclusion of a risk relating to a potential gap in the skills mix of the Board, until the full complement of new Board Members has been

appointed. Members were advised that a submission will be brought to the Board, to review its sub-committee structures. As part of this it was suggested that Tourism NI might seek to engage some former Board Members as independent Members of these committees, to ensure continuity of experience. The Board was also advised that the Director of Corporate Services had been tasked with looking at matters relation to employee engagement, recruitment and retention and potential single points of failure within the organisational structure.

2 (iv) Horizon Irish Open

The following is exempt from disclosure under Section 43 (2) – ‘Commercial Interests’ – of the Freedom of Information Act 2000



2 (v) Capital Budgets Update

The Board was presented with an overview of the position with respect to administration of capital budgets. This highlighted the continuing challenge of delivering support schemes within the timeframe of a single financial year, particularly when Tourism NI’s resource allocation is not confirmed at the beginning of that period and often for some time afterwards.

Members were given an update on progress with a number of projects under the Experience Development Programme where construction work had not yet commenced. These had to be revised in view of the reduced allocation available to Tourism NI. As a result one project would not be proceeding and another was expected to withdraw, but had yet to confirm this; three others had indicated their intention to proceed at a reduced rate of support. Members were advised that in order to give assurance that the revised projects continue to represent value for money, it was proposed to convene an ad-hoc sub-committee of the Board as soon as possible, to secure approval and permit work to proceed. The Board approved this course of action (**ACTION: DR**).

2 (vi) Audit and Risk Assurance Committee

The Board was advised that the draft Tourism NI Annual Report and Accounts for 2022-23 were in preparation. The usual process is that these are considered in detail by Tourism NI's Audit and Risk Assurance Committee which then makes a recommendation on approval to the Board. However, the appointment of three remaining Board Members is required in order to reconstitute the sub-committees. It was proposed that in the event that the remaining members are not appointed by the 2 October meeting, a one-off, interim Audit and Risk Assurance Committee should be convened to review the draft accounts and make a recommendation on approval to the Board (**ACTION: AD**). The Board suggested that if other urgent business of this nature emerges, Board Meetings could be extended to deal with the matters in question until the sub-committee structure is agreed.

2 (vii) Quality & Standards – Notices of Revocation of Certification.

The Board was presented with a paper seeking its approval for the Quality & Standards team to issue notices revoking the certification of two properties trading as visitor accommodation. The revocations were being sought as Q&S representatives had repeatedly been unable to secure access to the properties to conduct inspections. The Board granted approval to issue the revocation notices.

3. Reports

3 (i) Chair's Report

Members noted the detail of engagements undertaken by the Chair in the period since the last Board Meeting in March. The Chair advised that a report on a review of the Board's effectiveness is expected soon. She reported on her efforts to ensure that the appointment of remaining Board Members takes place as soon as possible. Members' attention was drawn to an invitation to a forthcoming showcase event at Westminster to promote Lisburn and Castlereagh.

The Board was also advised of an Irish Golf Tour Operators' Association engagement to be held at Royal County Down in October, and asked for a forward diary of key engagements in which Members' participation may be required (**ACTION: Executive Support Team**).

4 (ii) Chief Executive's Report

The Board noted the content of a report by the Chief Executive on current issues. An update was given on work to develop the new Northern Ireland Tourism Strategy. It is expected that DfE officials will join the Board Meeting on 2 October to present the draft strategy before going out to consultation. The Board also noted an update on progress with the City and Regions Growth Deals.

5. Papers for Noting

5 (i) Feile an Phobail

The Board noted a verbal update in relation to recent media coverage of Feile an Phobail.

5 (ii) Market Outlook

The Board noted the latest Market Outlook Update highlighting key visitor trends.

6. Any Other Business

The Chair advised that this was Stephen Garvin's last meeting as Tourism NI's Boardroom Apprentice. She thanked him warmly for the contribution he had made to the Board's work in that period and expressed her hope that this would prove of great value in the future. In return Stephen thanked the Board for what had proved to be a hugely enriching and varied learning opportunity.

Members were advised that the new Board Apprentice, Diane Edgington, would join starting with the October Board Meeting.

The Board discussed how catering arrangements for Board Meetings might be made more cost-effective and sustainable. Members also asked for a jargon buster to be added to Decision Time to assist new members in understanding acronyms and other terminology in use by Tourism NI (**ACTION:** Executive Support Team).

7. Date of Next Meeting

The next Board Meeting will be held on Monday 2 October 2023.