

Board Meeting 18 June 2020

TOURISM NORTHERN IRELAND MINUTES OF BOARD MEETING HELD REMOTELY BY VIDEO CONFERENCING ON THURSDAY 18 JUNE 2020

Participating:

- Mr Terence Brannigan (Chairman)
- Ms Angelina Fusco
- Ms Anya O'Connor
- Mr John West
- Ms Patricia Corbett
- Mr Colin Neill
- Ms Michele Shirlow
- Mr Geoff Wilson
- Mr Terry McCartney
- Ms Colette Brown, Board Apprentice
- Mr John McGrillen, Chief Executive
- Ms Jill McKee, Director of Finance
- Ms Jill O'Reilly, Acting Director of Organisational Development and HR
- Ms Aine Kearney, Director of Business Support and Events
- Ms Naomi Waite, Director of Marketing
- Ms Rosemarie McHugh, Director of Product Development
- Mr Dave Vincent, Chief Digital Officer
- Mr Jim Daly, Executive Support Team

1. Introduction

1 (i) Minutes of Last Meeting

The Chairman greeted the participants and extended a formal welcome to the three new Board Members, Anya O'Connor, Patricia Corbett and John West. The Chairman advised that as this was Jill McKee's last Board Meeting as Tourism NI's Director of Finance, he wished to thank Jill for her work in supporting the Board, the Audit Committee and the Chairman himself. On behalf of the Board he wished Jill well for her new role and future career.

No apologies were recorded and the Chairman reminded participants that minutes of the meeting will be published. He also asked if anyone wished to declare interests in relation to agenda items. No conflicts were declared.

Minutes of the Board Meeting held by video conferencing on Thursday 7 May 2020 were approved as an accurate record.

1 (i) Matters Arising from Previous Meeting

The Board reviewed a schedule of action points from its previous meeting. A number of actions were noted as complete and updates were given as follows:

Seconded Staff - The Chief Executive advised that the issue of the salaries of temporarily seconded staff is being explored with the Department.

Events - Members were advised that Tourism NI had paused events funding in line with the option recommended by the Finance and Casework Committee and approved at the last Board Meeting. Guidance was still awaited from government on when at what scale events might be permitted and if so, what restrictions might apply.

Any Other Business – Messages to Industry – The Board was advised that the drive towards reopening was at the front and centre of current activity.

2. Discussion Items

2 (i) Covid-19 – Tourism NI Response

The Chief Executive reported on Tourism NI's activity in helping to lead and co-ordinate the industry's response to the coronavirus outbreak. A fourth meeting of the Tourism Recovery Working Group had just been held. An issues paper setting out key priorities and actions had been prepared and was up for discussion at the Meeting of the Minister's Steering Group on 19 June. One key issue remaining is ongoing financial support for the industry. The Steering Group was due to discuss a report by EY on the economic impact of the pandemic on the tourism sector; the Board was advised that this underlined the dire circumstances which the entire industry now finds itself in.

The Chief Executive advised that while he would touch on the issue in greater detail later in the meeting, Tourism NI's bids to DfE for additional resource to address the impact of Covid had only partially been met, with funds made available to develop plans but not to implement them. Resource had been provided to undertake sentiment analysis, but not to undertake an enhanced marketing programme which the research was supposed to inform. Whilst the funds approved by DfE amounted to £1.5m, Tourism NI had already surrendered £1.3m related to activity not proceeding as a result of the outbreak.

It was suggested that a glossary of acronyms should be provided for new Board Members (**ACTION: JD**).

An overview was given of the structure and membership of the Tourism Recovery Steering Group, the Working Group and the Task and Finish groups established to take forward key workstreams. The groups involved participants from right across the tourism industry. Members asked if any specific sectors had been affected more than others; it was noted however that tourism represents such an intricate and interdependent ecosystem and all types of business were impacted. Given the limited resources available it was observed that the Steering Group would need to take difficult decisions about how funds may be targeted to best effect.

Members commended the work done by Tourism NI officials to progress issues such as guidance on reopening, to ensure that this could take place as quickly and safely as possible. They emphasised that a marketing campaign with strong messaging was now urgently required. Members also discussed the need to balance interests that would be competing for limited funding. It was further emphasised that during the rest of 2020, the trade is only likely to see business from within the island of Ireland. The Chief Executive highlighted the disparity in marketing resources, with Tourism NI only having capacity to operate a 12-week campaign by comparison with the 40-week campaign planned by Failte Ireland.

The Board was also advised that the Department had announced the membership of a new Economic Advisory Group, but this did not include any representation from the tourism industry.

Members asked for an update on progress with operational guidelines to support the reopening of the industry. This is expected to be available soon and was developed in alignment with other UK tourism authorities; the contribution of Hospitality Ulster and the NI Hotels Federation was acknowledged. An overview was given of the content of guidance. Members asked where authority rested to validate or rectify guidance and were advised that it was developed in conjunction with the Department of Health and Social Care and the Public Health Agency; a restrictions and guidance group was also established to ensure consistency. A communications plan was prepared but further detail was awaited from the Cabinet Office to permit publication.

The key issue remaining from a guidance perspective was noted to be social distancing. Members commented that the current two-metre limit is not viable for hospitality businesses and a resolution is needed as a matter of urgency. It was further emphasised that once guidance is published, there will be a need for carefully managed messaging; the guidelines require individual businesses to self-regulate in order to meet the requirements for opening.

The Board was also advised that the scope of Tourism NI's helpline (which had been providing businesses with advice on cashflow and legal, contractual and employment matters) will be broadened to support the guidance.

A report was given on the development of a UK-wide charter mark through which the industry can offer consumers assurance that businesses reopen in compliance with guidelines and in the safest way possible. Although fundamentally the same, the principles in use in the Republic of Ireland were predicated on the regulatory framework there; as a result there would potentially be differences in guidance on social distancing, use of facemasks and hygiene.

The Board discussed how it might bring influence to bear on government to address issues faced by the industry. The Chairman advised that he and the Chief Executive had been pressing the case forcefully at their debrief meetings with DfE. The Board noted the membership of the re-instated Economic Advisory Group did not have a tourism representative and felt there was a clear need for a permanent voice speaking on behalf of tourism. It was suggested that this should be raised at the Steering Group meeting and the Chief Executive agreed to share the issues paper with the Board (**ACTION:** JMcG). It was also suggested that the Board should meet with the Minister as soon as practicable.

2 (ii) Tourism Recovery Steering Group

The group structures had largely been covered as part of the previous item; however the Chief Executive stated that it was important for the Board to understand the structures in place and the range of issues being dealt with. The membership of the groups were outlined and the Board's attention was drawn to representation from SOLACE on behalf of local authorities. Tourism NI officials were assigned to work with each of the Task and Finish Groups; the work of these groups had been critical to accelerating the timeline for reopening in a safe way.

In the course of this item the Board was advised that the EY's report on the economic impact of the Covid-19 outbreak had been received. This is due to be presented to the Steering Group on 19 June. The Board agreed that Members should also discuss the report and that when appropriate, it should be shared with them. It was proposed to hold an extraordinary Board Meeting for this purpose in the next few weeks. The Board asked the Chief Executive and Chairman to consider an agenda for this, following the Steering Group meeting (**ACTION**: JMcG).

2 (iii) Market Recovery Campaign

The Director of Marketing delivered a presentation on proposals for a sustained campaign to support the recovery of the tourism industry. Sentiment analysis work was ongoing to assess when and how consumers are likely to be predisposed to travel. Feedback on bookings in the ROI market indicated that there might be some optimism for domestic short breaks but this had to be balanced against the outbreak's impact upon household incomes.

The Board was advised that the campaign plans represented a phased return to market in five steps that move from activity to keep the destination at the forefront of visitors' thinking, towards a revival of planning and booking, and a full campaign when appropriate. The campaign highlighted the role that marketing had to play in nurturing the industry's resilience, attracting as many visitors as possible and bolstering the Embrace A Giant Spirit experience brand. Also emphasised was the need to be flexible and open to doing things differently in order to respond to what is now a very volatile marketplace. Online activity is already underway to promote new and existing product and embed the destination in consumers' thinking, as well as creating civic pride.

The Board asked if budgets might be spread too thinly – the campaign process was outlined with the primary focus being on business from the domestic market, then from ROI. Since Tourism NI could not match the resources available to Failte Ireland it was adopting a much more targeted, digital approach while seeking further resource. Members also asked how campaign content is being generated and were advised that while some providers are more active and working more collaboratively than ever in supplying material and offers, in other cases Tourism NI will generate content itself.

The goals of the campaign were noted to be to generate engagement, positivity and length of time on platforms. The hope was to achieve greater reach and eventually conversion – however in the post-Covid landscape a challenge is presented by the lack of benchmarks for evaluating success.

The Board asked if marketing resource might be leveraged from local authorities and destination marketing organisations. Detail was given of work that is already underway to engage with these to use combined resources to best effect, offering drawdown from Tourism NI's marketing contracts and the benefit of a strategic agency leading promotion. It was also emphasised that campaign partners need to be fully compliant with guidance on safe opening.

The Board noted the content of the presentation.

2 (iv) 2020-21 Operating Plan

The Chief Executive introduced a revised Operating Plan. Recent months had refocused Tourism NI's work towards industry recovery. In particular, the Senior Management Team's work was aligned almost exclusively towards supporting government in formulating its response, both in terms of urgent immediate actions and policy. Given the time and resources required for this work and the consequent impact on other areas of activity, it was felt appropriate to revise the Operating Plan to formalise this work and to ensure that Tourism NI's mission and objectives align with the new primary objective of reviving the industry's economic potential.

In addition there was need for a renewed focus on people. Recent staff surveys were positive about Tourism NI's handling of the outbreak but issues such as shared domestic workspaces and the need to care for children and other dependents were having a significant impact upon staff members' ability to do their jobs. The circumstances had accelerated Tourism NI's journey towards establishing a more flexible working environment and future corporate planning would need to reflect this.

Members commented on the need for public confidence to allow the industry to recover. The Board acknowledged the need to recognise the pressures that all staff had been working under and urge them to protect their wellbeing by taking leave, with careful management so that work can continue. Also discussed was the possibility of evolving the Working Group, once its immediate task of addressing industry survival and recovery is complete, to take on a more permanent advisory role. It was suggested that this should be discussed in more detail at the extraordinary Board Meeting along with a revised strategic direction, as the Board's last such discussion had preceded the lockdown.

The Board also recommended establishing some quantitative measure of the effectiveness of remote working and whether Tourism NI could fulfil its remit indefinitely within these constraints.

The Chief Executive advised that Internal Audit Service intended to undertake an evaluation of the effectiveness of remote working processes. Members suggested that it would also be useful to evaluate time and resource spent in supporting the Department and determine the extent to which it impacts upon Tourism NI's other key priorities. The Chief Executive advised that the demand was primarily on the Senior Management Team's time rather than on programme budget.

Sickness and absenteeism had dropped significantly since the lockdown commenced; Members observed that consideration should be given to making leave meaningful and incentivising staff to get time away from screens and mobile devices. It was proposed that a 'thinkpiece' paper on the staff issues should be prepared for discussion by the Board (**ACTION**: JO'R).

The Board was content to approve the revised Operating Plan.

2 (v) Board Standing Orders

A revised set of Standing Orders were presented for the Board's consideration. New members enquired about voting rights and the Chairman set out the decision making process, emphasising that a robust system of discussion and where appropriate, rigorous challenge of the Senior Management Team was in place; this also involved challenge of the Department where required.

The Board approved the revised Standing Orders and agreed to review membership of its sub-committees at the forthcoming extraordinary meeting.

3. Reports

3 (i) Chairman's Report

The Chairman gave a short verbal update on his engagements since the last Board Meeting including his participation in the Tourism Recovery Steering Group.

3 (ii) Chief Executive's Report

The Board noted the content of the Chief Executive's report. He advised that the full impact of the viral outbreak was now more apparent. Although consumers were less apprehensive, the full financial implications were coming to the fore with discretionary spend on short breaks likely to be badly affected. This was especially disappointing as indicators for 2019 performance showed that visitor spend was on course to achieve the £1bn milestone. The confidence which had existed within the industry prior to the pandemic has exacerbated the impact of the outbreak as in the preceding months, businesses' had invested substantial in new assets such as new touring coaches and limousines.

A verbal update was given on the status of the *Game of Thrones* legacy project under development at Linen Mill Studios.

The Chief Executive also gave a report on the current position with regard to Tourism NI's capital funding programmes. A paper with proposals will be brought to the next Board Meeting (**ACTION**: RMCH).

The Board was also advised that work is ongoing with DfE to secure an increase in the contribution levels for grant funding. An update was given on the status of the Belfast City Region Deal.

Reports were also given on a number of key areas of activity within Tourism NI. Industry support activity had moved online with webinars offering business advice and it was agreed that a link to these should be shared with the Board (**ACTION**: JD).

Work was also underway to ensure that the Quality and Standards team could resume inspection work safely, in order to support the reopening of accommodation and attractions.

The Board was advised of the outcome of an Investors in People Assessment, which had seen Tourism NI retaining its silver accreditation with a higher score. The assessor's feedback had highlighted a significant improvement in organisational culture and it was felt that this provided a good platform from which to work towards a gold award with the next assessment. The Chairman offered his congratulations to staff and commended them for their willingness to embrace the new working environment.

3 (iii) Sub-Committee Updates

Audit and Risk Committee – As chair of the Audit Committee Angelina Fusco gave a report on the meeting held on 8 June. The agenda included a presentation from the Chief Digital Officer on the security and governance infrastructure in place to ensure business continuity and protect data, in what was now a much riskier online environment.

Internal Audit Service delivered its draft annual report on the 2019-20 work programme, which gave a satisfactory opinion. While a number of reports in the programme remain to be completed, IAS had been in a position to give assurance on the outcome. Final reports in the programme are expected to be discussed at the Committee's next meeting. The draft audit plan for 2020-21 was also presented; given the difficulty of undertaking audit work within the current circumstances, the programme will focus on providing consultancy support to Tourism NI and will include a review of remote working processes. Also presented was the draft Governance Statement to accompany the Annual Report and Accounts.

The Committee also noted new Orange Book guidance on risk management, which will assist in informing a fundamental review of Tourism NI's risk register and risk management. A facilitated workshop is planned for this purpose which will include participation from IAS representatives and Audit Committee members, including any new members nominated to the Committee. The Committee had also received an update on discussions with the Department regarding the organisational structure of Tourism NI. Alongside these it was emphasised that a review of legislation is needed to ensure that Tourism NI continues to be fit for purpose.

The Committee also received an update on negotiations with DfE and the Department of Finance in relation to mileage for field-based staff, and the status of a grievance case relating to the issue.

An update had been given on HMS Caroline and the Committee had agreed that the project could be removed from future Audit Committee agendas.

Angelina Fusco also put on record her thanks to Jill McKee for supporting the work of the Audit Committee.

Finance and Casework Committee – The Committee had not met in the period since the last Board Meeting.

The Board agreed that sub-committee memberships should be discussed at the planned extraordinary Board Meeting (**ACTION:** JMcG).

5. Items for Noting

5 (i) Draft Agenda for Next Board Meeting

The Board noted a proposed draft agenda for its next planned meeting in August. The agenda items suggested for the extraordinary Board Meeting were noted to be:

- The EY report on the economic impact of Covid-19 on the tourism industry
- The DfE Economic Recovery Plan
- Tourism Recovery Plan
- Sub-committee structures / memberships

Given the number of major issues to be covered it was suggested that the focus of the extraordinary meeting should be on strategic issues such as the EY Report, with issues such as structure deferred to the subsequent Board Meeting.

A date for the extraordinary meeting is to be found as soon as possible (**ACTION:** EST).

6. Any Other Business

6 (i) Support for Senior Management Team

The Chief Executive presented a proposal to the Board to temporarily appoint a Grade 7 member of staff to support the Senior Management Team's work for the next six months to a year. The purpose of the additional appointment is to ease the extreme work pressures on the SMT, to permit directors to take leave and focus on their normal areas of work while ensuring that critical action relating to the pandemic response can continue seamlessly. It was noted that Tourism NI can make such an appointment as long as it can find resource within its current budget.

The Board was content to approve the proposal.

6 (ii) Board Apprentice

The Board had previously agreed to continue to participate in the Board Apprentice programme. Members suggested that the Board should extend Colette Brown's tenure if it proves difficult to appoint a new Apprentice. It was agreed that this could be proposed to the programme organisers.

7. Date of Next Meeting

The date for an extraordinary Board Meeting remains to be confirmed. The next scheduled Board Meeting will be on Thursday 20 August 2020.