

Board Meeting 27 June 2024

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD AT TOURISM NI HEADQUARTERS, LINUM CHAMBERS, BELFAST
ON THURSDAY 27 JUNE 2024**

Participating:

- Ms Ellvena Graham OBE (Chairman)
- Ms Áine Gallagher
- Ms Linda MacHugh
- Mr John Hood
- Mr Michael Counahan
- Ms Aileen Martin
- Mr Colin Johnston
- Mr Ciaran O'Neill

In attendance:

- Mr John McGrillen, Chief Executive
- Mr John West, Strategic Adviser to the Board
- Ms Diane Edgington, Boardroom Apprentice
- Mrs Naomi Waite, Director of Marketing (for Items 2(i), 2(ii) and 2(iii))
- Mrs Aine Kearney, Director of Events (for Items 2(i) and 2(iv))
- Mr David Roberts, Director of Strategic Development (for Item 2(i))
- Mr Adrian Doherty, Director of Corporate Services (for Item 2(i))
- Mr Chris Newell, Head of Management Accounting (for Item 2(i))
- Mrs Dot Erskine, Head of Strategy and Policy (for Item 2(i))
- Mr George Diamondis, Golf Marketing Manager (for Item 2(iii))
- Mrs Steph Stewart, Executive Support Team

Apologies:

- Ms Karly Greene

1. Introduction / Standing Items

The Chairman welcomed those present and noted apologies from Karly Greene. Attendees were reminded that minutes of the meeting would be published and were asked to declare any interests in respect of agenda items. No declarations were made throughout the course of the meeting.

1 (i) Minutes of Previous Board Meeting

A revised version of the minutes of the Board Meeting held on Thursday 21st March was presented for approval. The Board approved the minutes with the revisions previously suggested having been made.

The minutes of the meeting held on Wednesday 15th May were also presented for approval. The Board identified a correction to the attendee list and a small factual amendment in relation to the number of Internal Audit Service reports within the Audit & Risk Assurance Committee update. **(ACTION: SS)**.

1 (iii) Matters Arising – Actions from Previous Meeting

The Board noted updates on the status of actions agreed at its last meeting and those ongoing from previous meetings.

2. Items for Discussion

2 (i) Draft Operating Plan and Budget 2024-25

Members of the Executive Leadership Team (ELT), Head of Management Accounting and Head of Strategy and Policy joined for this item.

The Board was presented with two separate papers setting out the draft Operating Plan and proposed budget allocation for 2024-25. The development of the draft Operating Plan had been informed by the draft Corporate Plan 2024-27, previously presented to the Board at the 21st March meeting. It was noted that the activity in the draft Operating Plan has been categorised under each of the Minister's four strategic objectives; however it was agreed rather than categorising all Tourism NI activity strictly under these four headings to instead add a column at the end of the draft Plan to indicate which strategic objectives each line of activity contributes to **(ACTION: AD)**.

The Chair invited the Board to raise any questions or areas of feedback in relation to the draft Plan. The Board commented that in terms of the KPIs it would be helpful to include a separate column with baseline figures for the purpose of relativity, in particular against those activities where the KPI is stated as a percentage growth. The Board queried whether there needs to be a public consultation process ahead of publishing the Operating Plan and were advised this is not a requirement, unlike the draft Corporate Plan 2024-27 for which a public consultation process will be required.

The Board discussed the growth target of 15% in visitor spend over three years and whether this is sufficiently ambitious particularly when compared with Tourism Ireland's growth target in international visitor spend to NI, set at 6.5% per annum for the next three years. Considering the current economic climate in closer to home markets and NI air connectivity issues, 15% had been settled upon as a prudent target and the Board was content with this explanation.

The CEO drew the Board's attention to the potential of political tourism being identified as an activity in its own right, rather than being grouped under other Culture and Heritage activity, as

the Minister had set this as one of his objectives. The Board agreed this will need to be handled sensitively and were advised that a stakeholder working group will be established.

Discussions then moved to any interdependencies within the Plan and whether there are risks which are outwith Tourism NI's control. One such area was noted to be the transfer from Invest NI of responsibility for financial assistance for visitor accommodation and, in particular, the transfer by DfE of any capital budget from Invest NI to Tourism NI for delivery of this work. The Board was provided with an update on timelines for this transfer of powers, which is due to be completed by the end of 2025. The activity outlined in the draft Operating Plan for 2024-25 will be an initial visitor accommodation assessment and consideration of any gaps in the process ahead of the transfer of powers. To the query in relation to transfer of capital budget, the Board was advised that there is no dedicated budget allocated within Invest NI for potential visitor accommodation projects. If a decision is taken by the Minister to prioritise this area of work in the future, then new capital budget will be required. The Board commented that there is a perception within the industry that the Invest NI programme is currently closed. Board Members were advised that the Programme remains open for applications to Invest NI, albeit any applications which are progressed for approval are considered for funding on a case-by-case basis with no ring-fenced budget within the organisation. The Board suggested it might be worthwhile speaking to Invest NI to issue further industry communications on these interim arrangements.

In terms of activity in support of Events the Board stressed the need to be able to offer support to a wider range of events, in order to help smaller events develop. While not an objective for 2024-25 the Board agreed it should be included with the draft Corporate Plan for 2024-27. It was noted that this is subject to completion of the Events Framework in development by DfE. The Board acknowledged that while development of the Framework is a policy area and ultimately rests with DfE, the draft Operating Plan should include an objective outlining Tourism NI's intention to raise with DfE the pressing need to refresh the draft Events Framework (**ACTION:** AD/AK).

The Board commented that a number of the terms used in the draft Plan require further definition in order to set meaningful SMART objectives, with terms such as 'good jobs', 'regional' and 'sustainable' highlighted in particular. These priorities have been set by the Minister and it was noted that DfE's Corporate Plan, once confirmed, will help to define these. The Board agreed that the Departmental Corporate Plan will be key in helping to guide Tourism NI's work and noted other ALBs face the same challenge. The Board requested that when the draft Operating Plan and budget allocation is submitted to DfE for approval that a written communication accompany the submission with the caveat that KPIs will be reviewed when a definition of the Departmental priorities is provided (**ACTION:** AD / JMcG).

There was agreement that there is good ambition in the draft Plan in terms of the range of activities. The Board suggested that there should be a place within the Plan, perhaps under Organisational Capability, to detail Tourism NI's role in enabling policy and legislation.

Discussions then moved to the proposed budget allocation for 2024/25 as set out in the Operating Plan. A supplementary paper was presented alongside the draft Operating Plan.

The Board observed that the capital allocation has doubled and asked for further detail. This is in relation to resource allocated for the DNA project; however the Board was advised that it has been flagged to DfE and this figure is likely to reduce. Budget for the DNA project is ring-fenced and as such any unused budget will be returned to DfE.

The Board agreed that the allocation of a full year of budget upfront, rather than via in-year allocations, is much preferred and allows for better planning over the course of the year. The Board discussed putting plans in place now to anticipate any in-year allocations this year, and was advised that any such allocation can be deployed into marketing activity.

The Board asked that all top level budget be presented in one overall table and to include detail on Tourism Ireland funding within this.

Some Members commented that in presenting the information in two separate papers it was difficult to overlay budget against activity. It was agreed that the proposed budget allocation should be considered in more detail by the Finance & Casework Committee (F&CC) at its upcoming meeting. The proposed allocation had not been reviewed by the F&CC in advance of this meeting due to the tight timelines, with budget allocation only having been confirmed in recent weeks and at subsequent ELT workshops. The Board requested that a further paper to the F&CC include detail on last year's figures, proposed figures for this year and explanations for any variance as well as details of any assumptions that have been made within the budget, such as staff numbers. The Chair stated that while this level of detail is not required for the full Board, assurance must be provided by the F&CC that the proposed budget allocation has been considered in detail. The quarterly monitoring of Management Accounts thereafter can be delegated to the F&CC, with reports made available to the full Board if they wish to review them.

In conclusion, the Board was in agreement that the top line figures will not be impacted by the discussion due to take place at the upcoming F&CC meeting and was content to approve the top line proposed budget allocation. Members did however request that the F&CC Chair provide assurances on the detail of the budget allocation at the next Board meeting in August. The Chair of the F&CC was asked to liaise with the Director of Corporate Services in advance of the Committee meeting to outline further detail which the Committee members would wish to see included in a revised paper (**ACTION:** AD/LMcH).

The Chair took the opportunity to advise Board Members that they are welcome to observe a meeting of any of the Sub-Committees, if this would be of interest.

David Roberts, Aine Kearney, Dot Erskine, Adrian Doherty and Chris Newell left the meeting at this point.

2 (ii) Influencer Marketing

Naomi Waite remained for this discussion item and item 2 (iii).

The Board was presented with a paper outlining Tourism NI's influencer marketing activity and details on the process behind this work, including costs and selection of influencers. Influencers are an important part of marketing and an area which is seen as continuing to grow due to the importance of third-party endorsement, the access to content from skilled content creators and the fact it can reach a range of audiences. The Board was provided with detail of Tourism NI's process for engaging with influencers and for monitoring behaviour and standards, which is carried out through the appointed agency Jago.

The Board thanked the Director of Marketing for the paper which clearly outlined the benefits of influencer marketing and asked whether she is content that sufficient budget has been allocated to this work, noting it accounts for a small percentage of the overall budget. As this is a relatively new area of work, the preference is to build the relationships and work gradually at first in order that Tourism NI can be confident in standing over its quality.

In the discussions that followed it was noted that influencers are recruited by Tourism Ireland in the first instance and the request is then presented to Tourism NI in a visit request form. The Board agreed a discussion with Tourism Ireland would be useful in order to put across any of our own considerations or views on recruitment of influencers. It was agreed the Board should invite the CEO and Head of Markets at Tourism Ireland to a future deep dive discussion and Tourism Ireland's Head of GB office should also be invited (**ACTION: JMcG**).

Aine Gallagher undertook to raise separately with the Director of Marketing some further minor questions relating to governance. In conclusion the Board agreed that budget spent on this activity represents a good investment.

As an aside the Chair asked that the Marketing Committee be formally established following return of the Director of Marketing and it was confirmed the process is underway to arrange an initial meeting of the Committee.

2 (iii) Golf Tourism Strategy

George Diamondis, Golf Marketing Manager, joined the meeting at this point.

At the Board meeting in October 2023 Members had agreed the Terms of Reference for the development of a Northern Ireland Golf Tourism Strategy 2025-2030. A Golf Tourism Strategic Vision has now been agreed with an independent steering group that includes Aileen Martin in its membership. Board approval was sought to implement the recommendations coming out of this work and to publish the Strategic Vision document.

The Board received a short paper and presentation detailing the work undertaken in the period since October 2023, membership of the steering group, the wide range of research sources to inform the development of the Strategic Vision, main challenges in the sector and five key recommendations. The Board was advised that in carrying out this work it was determined a single economic impact target is the best approach. Based on the research conducted, the independent steering group was content to agree to set a target of £85m by 2030. Lack of tee times, the number of links courses across the region and air connectivity are cited as the main inhibitors to growth. The Board questioned the growth potential of this market as historic trends would suggest the numbers of golf visitors does not vary much over the course of a number of years. It was acknowledged that even if the visitor numbers are reduced, spend per visitor in the golf market is much higher than for regular visitors and their carbon footprint is lower, thus providing the growth potential.

Members agreed one of the key challenges in this area is encouraging the use of parkland courses and discussed whether clubs might agree to open their tee sheets to visitor booking systems, although clubs have been very reluctant to do this.

The Board was content to approve the contents of the paper and Strategic Vision document.

Naomi Waite and George Diamondis left the meeting after this item.

2 (iv) Major Events – Verbal Update

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

Aine Kearney joined the meeting for this item.

The Board received a presentation providing an update on work going on across Tourism NI in support of major events. Two major golfing events are upcoming over the next year in the Irish Open and The Open Championship, which will further raise the profile of Northern Ireland as a premier golfing destination. The formal three-tiered multi-agency structure is in place for delivery of the Irish Open. Tourism NI's Director of Events chairs the Silver group and reported that all work is progressing with no major issues. The Board was advised of positive reports from DP World Tour in regard to ticket and corporate hospitality sales.

The multi-agency structure has been established for The Open Championship and meetings will commence from September 2024, with the Chief Executive chairing the Gold group and the Director of Events the Silver group. Wider work is already underway with a range of partners on a number of areas relating to event delivery.

There was discussion around the ticketing ballot system being used by the R&A for The Open. The Chair stressed the importance of having an agreed line on ticketing in the event of approaches to the Board, with Tourism NI only having a small allocation of corporate hospitality tickets available, the guestlist for which will need to be targeted. Any Tourism NI allocation of General Admission tickets will generally be used for competitions and for work with DfE on local communities in order to generate civic pride.

The Board discussed fair pricing and it was noted that the Major Events team had delivered webinars for the industry on pricing in the lead up to The Open. While Tourism NI cannot enforce this, it does have a role to advise industry and the Board was in agreement that exorbitant pricing has potential to affect the number of return visitors. The Director of Events undertook to have a discussion separately with Board Members from a hotel background, on how to best communicate the message on fair pricing to the industry (**ACTION: AK**).

On the matter of accommodation costs the Chief Executive reported on plans for Board Members on days when they will be in attendance at The Open for hosting of corporate guests. Overnight accommodation would usually be booked for Board Members for such work, however at rates of £450 upwards per person per night it was agreed this cannot be justified and it was proposed that Board Members travel home after duty with Tourism NI covering any taxi costs. The exception is the intention to book a hotel room in Belfast for Michael Counahan, as the return journey to Dublin on the same evening would be unreasonable. The Board was in agreement on this matter.

An update was provided on the 2028 European Championships, with the two biggest risks to this being well documented; budget and stadium infrastructure. The Board recognised the amount of time and effort put into this work by the Major Events team and agreed that a decision is urgently required, particularly given two other forthcoming major events that require the team's attention.

3. Reports

3 (i) Chair's Report

The Board noted the list of engagements undertaken by the Chairman since the last Board Meeting. She updated Members that at a recent dinner between the Dublin, Cork and Belfast Chambers of Commerce part of the discussion had focussed on increasing visitor numbers from the Republic of Ireland to Northern Ireland and cross-border businesses. The Chairman informed the Board that she had received a draft report on the review of Corporate Governance and that she and the Chair of the Finance & Casework Committee would be meeting with Diarmuid McLean to discuss the draft report immediately after the Board meeting.

3 (ii) Chief Executive's Report

Members noted the content of the Chief Executive's report on current issues and he drew the Board's attention to a number of key items:

Ministerial and Departmental Engagement – The Minister will establish a Tourism Strategic Partnership Board to support completion of the Tourism Strategy and associated Action Plan. The Chief Executive had been invited to join a meeting that afternoon between the Minister and the Chair of the Partnership Board.

City Deals – John Hood reported on his participation in a recent photocall for the signing of Terms of Contract for The Gobbins Phase II and passed on an invitation for the Board to visit. It was agreed this should be arranged.

Cyber Security – the Chief Executive clarified that a higher score for the vulnerability assessment indicates an organisation is less susceptible to cyber threats, with Tourism NI's score at 62%. While it was noted there is room for improvement in that figure, the expenditure required to improve the score can be prohibitive. The findings of the review of cyber security will be brought to an upcoming Board meeting.

Pay Scale Business Case – The Chair requested an update on the business case. The Chief Executive explained that DfE approval of a settlement figure is required in order to move to discussions with Trade Union. The Board asked that the Chief Executive raise this with DfE again in order to progress the matter (**ACTION: JMcG**).

3 (iii) Sub Committee Reports

The chairs of Board sub-committees reported on recent meetings as follows:

Finance & Casework Committee – a written report and draft minutes were provided for the meeting of the Committee held on 7 May. There were no further comments on the content of the report or draft minutes, however the Board did discuss whether both a written report and minutes are required. It was agreed the written report should be brief and provide a timely update on Committee meetings until such time as the draft minutes are able to be prepared and attached as an Annex to the report.

Audit and Risk Assurance Committee – There has been no meeting in the period since the last meeting.

Marketing Committee - There has been no meeting in the period since the last meeting.

4. Papers for Noting

4 (i) Market Outlook Update

The Board noted the content of an update on key visitor trends and insights. The Board remarked that air passenger flow is not an accurate indicator of visitor numbers as a large proportion of those travelling are returning from holidays abroad. The Board commented that a more valuable measure if possible would be figures on external visitors arriving in Belfast.

4 (ii) Draft Agenda for August Board Meeting

A draft agenda for the next Board meeting was noted.

5. Any Other Business

5 (i) The Open 2025 - Accommodation

The Chief Executive had already updated members of the issue in relation to accommodation for Board members at The Open 2025 within the Major Events discussion item.

6. Date of Next Meeting

The next Board Meeting is due to be held on Wednesday 14 August at Tourism NI Headquarters.