

## Board Meeting 21 March 2024

**TOURISM NORTHERN IRELAND  
MINUTES OF BOARD MEETING  
HELD AT KILLEAVY CASTLE HOTEL, NEWRY  
ON THURSDAY 21 MARCH 2024**

Participating:

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

In attendance:

- Mr John McGrillen, Chief Executive
- Ms Diane Edgington, Boardroom Apprentice
- Mr Adrian Doherty, Director of Corporate Services (item 2 (ii) – Item 3 (ii))
- Mr David Roberts, Director of Strategic Development (item 2(i))
- Mrs Dorothy Erskine, Head of Strategy and Policy
- Ms Lynsey Sloan, Digital Programmes Team
- Mr John West, Strategic Adviser to the Board
- Mr Jim Daly, Executive Support Team

### **1. Introduction / Standing Items**

The Chairman welcomed those present. There were no apologies. 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 at this point.

#### **1 (i) Minutes of Previous Board Meeting**

Minutes of the last Board Meeting held on Monday 8<sup>th</sup> February 2024 were approved, subject to the inclusion of minor amendments proposed by Áine Gallagher.

## 1 (ii) 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. Updates were given on the following:

*Role of Tourism NI as Investment Decision Maker on City & Growth Deals* – an update was given on the clarifications requested from the Department by Tourism NI. Members asked that the relevant documentation with DfE be signed as soon as possible.

*Review of Effectiveness of the Board* – The final report had been received from Deloitte. It was agreed that this should be circulated to Members and progress on addressing its recommendations tracked.

Members were advised that as part of a review of corporate values, workshops had been organised for staff to provide input. A session for the Board is due to take place on 24 April.

An update was given on work to finalise the audit of the 2022-23 Annual Report and Accounts.

Discussing debt recovery the Board discussed revoking certification of businesses that default on inspection fees; however it was observed that such action might be open to challenge and the number of defaulters is not large.

## 2. Items for Discussion

### 2 (i) Tourism NI Draft Corporate Plan 2024-27, Operating Plan 2024-25 and Budget

The Board was presented with work in progress on a new Tourism NI Corporate Plan for 2024-27. Initial work on the Plan had been aligned to the draft Tourism Strategy and the 10X economic vision. The Board provided input on that iteration of the Plan at a strategic workshop in January. Following the NI Assembly's restoration, the Minister for the Economy had set out new economic priorities and some more specific priorities for tourism. Work is underway by DfE to recalibrate the Tourism Strategy in line with these priorities, which will determine the direction of both Tourism NI's Corporate and Operating Plan. Tourism NI had assumed there will be a flatline budget for 2024-25, as the resource allocation from DfE remains to be confirmed.

At its January workshop the Board asked the Executive Leadership Team to consider key factors for success that might underpin the Corporate Plan. It was felt that essential elements will be building organisational capability and a legislative / policy environment that supports Tourism NI's strategic objectives.

It was emphasised that while the Plan remains a work-in-progress, the Executive Team wished to give the Board a sense of the direction of travel. Discussing timelines the Board suggested that the Department should be asked to confirm that the anticipated period of public consultation is necessary (**ACTION**: AD). They also stressed the need to make the distinction between future plans for tourism in Northern Ireland, and plans for Tourism NI itself.

The Board also asked whether the growth target of 15% might be too conservative when compared with estimates for global growth. It was stated that as the major City & Growth Deals

projects require time to complete, growth will be back-ended with 2023 representing a baseline for the coming decade. The Board also suggested that year-on-year growth targets should separate out the different markets, noting that segments in NI seem projected to deliver higher estimated spend than RoI. While this was stated to be because there is a greater number of segments in RoI, the Executive team agreed to look at how this is presented (**ACTION: AD**).

Discussing key performance indicators, it was confirmed that the annual Operating Plans will define the deliverables and targets, and where data is unavailable this will be more clearly stated.

The Board discussed a reporting mechanism framed around key priorities and suggested that NISRA metrics could be used to evaluate performance on delivering the Minister's priorities of regional balance and good jobs. Conversations about performance measures also need to take place with DfE, in respect of its workstreams.

The Board recommended the inclusion of a food and drink product review. Members asked when Tourism NI might be given capital grants to administer and noted that this will be dependent on how the NI Executive's legislative programme progresses. The Board recommended that the Corporate Plan narrative should set out the strategic ecosystem within which Tourism NI operates and stressed the need for associated infrastructure development aligned to product development. Members also discussed how best to evaluate the true economic value of tourism and were advised that NISRA will shortly launch a Tourism Satellite Account for this purpose; however as there is a lag in dataset production, initial results will reflect the 2019 picture.

Closing the discussion the Board emphasised the need to be clear on those things that Tourism NI is responsible for delivering, and those it must seek to influence. Members commended the work done to date on the Corporate Plan and were invited to continue to input as it develops.

## **2 (ii) Certification and Classification Fees**

At the outset of this item Colin Johnson, Ciaran O'Neill and Aileen Martin declared an interest due to their respective backgrounds in the accommodation sector. The Board agreed that they should leave the room before any decision was made, but that they could provide input to the discussion.

A paper was presented setting out various options for fee structures for the statutory certification inspections and quality grading inspections undertaken by Tourism NI's Quality & Standards Unit. While the Department of Finance and Department for the Economy had initially pressed Tourism NI to undertake full cost recovery for these schemes, the perspective appeared to have changed recently as DfE officials now better understand the potential impact that moving to a full cost recovery model might have. An agreed solution however is still required to deal with the issue on an ongoing basis. While the preferred option would see Tourism NI collecting a great proportion of the costs, this would still represent a significant increase to businesses. It was noted that part of the cost methodology is the average amount of time required for each category of property; self-catering properties represent the majority of NI accommodation stock and the time required to inspect these is often similar to the time required to inspect a hotel. Members asked if it was possible to undertake remote inspections but that was not felt to be viable and would require a change to legislation.

With the discussion concluded Colin Johnston, Aileen Martin and Ciaran O'Neill all left the meeting temporarily and it was confirmed that the Board had a quorum. The Board agreed there was a

need for a year-on-year fee increase, but stressed that there could be a loss to the public purse in imposing a fee structure that might result in businesses opting out of the classification scheme. Therefore the Board proposed a revised version of Option 2, recommending that fixed amounts be set for hotels and a sliding percentage scale of fee uplift applied for other categories of accommodation. It was noted that Managing Public Money NI recommends either full cost recovery or 'as far as practicable' and Tourism NI would seek to work with DfE / DoF to define this. The Board asked the Director of Strategic Development to progress the Business Case to DfE and to provide the Board with an update in due course (**ACTION**: DR).

The three Board Members who had exited then rejoined the meeting.

## **2 (iii) Tourism Exchange (TXGB)**

The Board received an update on the performance of Tourism Exchange (TXGB), a digital sales and marketing platform connecting suppliers with distributors with the aim of helping the industry to become bookable online and access routes to market. Tourism NI licenced TXGB in November 2021 on a twelve-month pilot basis, which the Board agreed to extend for a further two years. An Operating Plan target was agreed to onboard 200 businesses with a sales target of £2m by March 2024.

Tourism NI re-licenced TXGB for up to two years until February 2025, but with no guaranteed spend beyond March 2024, by which time further evaluation would determine whether the platform should be continued. The Board was advised that while the number of businesses operational was broadly in line with the target, sales through the platform since April 2023 had been significantly lower than original forecasts.

The Board's approval was now sought to re-licence TXGB for a further year at a reduced cost of £75k, with revised targets for onboarding of businesses and sales. It was emphasised that the purpose of participation in TXGB was to address market failure and support the industry's online capability. A number of local authorities had signed up to the platform, aligning with Tourism NI's objective of achieving regional distribution. Members were advised that conversations were ongoing with VisitBelfast and with the TXGB transformation team about ways of leveraging more out of the system. The Board discussed how more businesses might be encouraged to sign up.

The Board approved the proposal to licence TXGB for a further year at the reduced rate, but strongly emphasised the need for a review at the earliest possible opportunity, to permit a decision on continuing well before the licence expires (**ACTION**: NW/PC).

## **2 (iv) Tourism NI Data Hub**

At its December 2023 meeting the Board was presented with options for development of the Tourism NI Data Hub for 2024-25 onwards. Noting the scale of investment to date in the Hub, the Board asked for a further paper setting out a low-cost option for the coming financial year.

The Board was presented with an update on progress and setting out a cost option to ensure the benefits of investment in the Data Hub are realised in the next financial year. Examples were given of reports produced using raw data generated by the Hub, to provide insights into visitor behaviour and trends. The Digital Services Team was working to use data from other providers to refine the insights already produced, giving a better sense of the Hub's capabilities.

The Board's approval was therefore sought for a further investment of around £206k in capital resource for data purchase and £60k revenue for technical support to work with the existing datasets. It was emphasised that the purchase of additional data would require further investment in technical support for data cleansing.

Acknowledging the importance of data-driven decision making, the Board asked if Tourism NI was assured that the Hub can deliver the kind of knowledge and insights that the industry, through its representative bodies such as NITA, says that it needs. The importance of layering data was highlighted, as was the need to establish what additional data the Central Statistics Office can provide.

Members commented that while they now had a better picture of the information needs of Tourism NI's partners and stakeholders, this should be matched by a statement of benefit in the form of a business case that substantiates the expenditure and gives a sense of how clients will want data to be presented. The Board also reiterated the need to continue to monitor overall expenditure on the Hub.

The Board approved the expenditure requested and asked for a further update to be provided in six months' time (**ACTION: AD**).

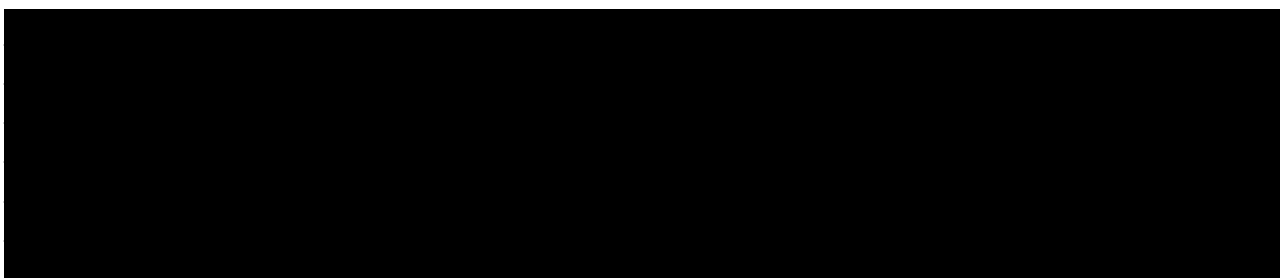
## **2 (v) Advertising Services Contract**

The Board was presented with a request to commence the procurement of advertising services to support Tourism NI's marketing activity, in anticipation of the existing contracts expiring in February 2025. The previous competitive tendering exercise had resulted in the appointment of three separate agencies to fulfil four separate lots of activity. This was felt to have delivered better results and value for money than appointing a single full-service agency, and therefore it was proposed to adopt a similar approach. Anticipated spend over the contract period was set out along with the process for approving any increases, in line with the expected allocation of marketing resource by DfE to Tourism NI.

The Board approved the proposed value, duration and structure of the advertising services contract and gave its permission to engage with CPD, to commence the procurement exercise for the contract.

## **2 (vi) Direct Award Contract – Updated Business Case for Support for Major Event**

*(The following extract is exempt from publication under Section 43 (2) ('Commercial Interests') of the Freedom of Information Act 2000)*





## **2 (vii) Change in Banking Provider**

The Board noted a proposed change to Tourism NI's banking arrangements, which would see it joining a new NICS Collaborative Framework for Banking Services. Members also approved a request to permit the Head of Financial Accounts to open new bank accounts.

## **3. Reports**

### **3 (i) Chair's Report**

The Board noted the list of engagements undertaken by the Chairman since the last Board Meeting. She reported on a number of recent engagements in Dublin including meetings with representatives of ITOA, ITIC and Failte Ireland's Chair, and commended staff involved in organising the very successful showcase event at the College Green Hotel.

The Chairman also reflected on a very positive initial meeting with the Minister. The Board was also advised of a further forthcoming industry showcase event aimed at corporate / conference visitors, to be held at the British Ambassador's residence in Dublin.

### **3 (ii) Chief Executive's Report**

The Board noted the content of the Chief Executive's report on current issues. He advised that he had recently chaired an initial meeting of the Gold Group tasked with overseeing delivery of the Open Championship's return to Northern Ireland in 2025 and gave an outline of the delivery structures in place.

The Chief Executive also reported that initial meetings with the new Minister of Economy had been very positive and provided strong indications of his interest in and support for tourism. He had expressed an interest in participating in both the forthcoming Meet the Buyer workshop and the tourism conference.

The new Minister had also expressed his wish to see the three destination brands in use in the ROI (Ireland's Ancient East, Ireland's Hidden Heartlands and the Wild Atlantic Way) extended north of the border. The Chief Executive advised that he had met with senior officials of Failte Ireland and Tourism Ireland to explore the synergies that might exist and how this could work in practice.

The Board was also advised that an application had been turned down for a judicial review of Tourism NI's decision not to operate a National Tourism Events Sponsorship Scheme in 2023-24. The applicant had not appealed the decision.

The Board discussed the content of the Chief Executive's report generally. Members agreed that they did not feel it was necessary to provide a detailed report on operational activity and suggested that the reports could be revised to make them more succinct and relevant to the Board's information needs.

Noting an update on the appointment by Belfast City Council of teams to lead development of the Belfast Stories project, the Board asked for some further detail (**ACTION: DR**).

The Board also noted the detail of a data breach by a third party partner of Tourism NI and the remedial action that was taken.

### **3 (iii) Sub Committee Reports**

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

*Finance & Casework Committee* – a report was given on the meeting of 19 March. The Committee discussed further amendments to its draft Terms of Reference, focused on delegated approval limits and the Committee's role in scrutinising and recommending approval to the Board. The Committee indicated that it was content to approve projects in instances where the overall resource allocation for the relevant programme had previously been approved by the full Board. It was noted that the Tourism (NI) Order permits such delegation of power to a sub-committee of the Board, but that it is up to the Board to decide the level of control that it wishes to apply. The Committee Members also discussed their role in respect of scrutiny and approval of City & Growth Deal projects.

The Committee had been presented with a Strategic Outline Case for the Connected Causeway project. While its recommendation to the Board was to approve proceeding to an Outline Business Case, it highlighted issues with the quality of the information supplied in the SOC, in particular the analysis of options and the level of risk. Acknowledging the need to resolve the traffic management issues that the project seeks to address, the Committee stressed that these queries must be answered more definitively in development of the OBC. The rationale for the project being submitted to Tourism NI was outlined but given its nature, the Committee felt strongly that Tourism NI does not have the relevant skillsets to evaluate all the technical detail. They stressed the need for Causeway Coast & Glens Council to engage with the OBC process and particularly, to ensure that adequate expertise is in place to properly evaluate a full range of solutions to the traffic management issues.

The Committee also received a report setting out the status of City and Growth Deals projects and approved a set of core conditions to be attached to offers of support for these. An update was given on Tourism NI's expected budget outturn position at the financial year end – while this was expected to be within tolerances there had been some significant movement within specific budget lines. The Committee also expressed some concern at the level of spend expected to occur within the closing weeks of the financial year, while acknowledging that this was in part the outcome of a significant allocation to Tourism NI of additional resource in the January Monitoring Round, and industry being more active in invoicing at certain times of the year.

Finally the Committee had given approval to support for the Causeway Coast & Glens and Mourne Heritage Trust, for the delivery of activity under the terms of Service Level Agreements with Tourism NI. It was stressed to the Board that this did not represent a retrospective approval and was the result of a delay in appointments to the Board and followed legal advice confirming Tourism NI's ability to provide the support.

The Board was also advised that the Committee had given approval by correspondence for the revocation of certificates for a number of accommodation premises.

*Audit and Risk Assurance Committee* – While the Committee had not met in the period since the last Board meeting, the Chair reported on a meeting she and the Board's strategic adviser John West had held with representatives of Internal Audit Service and advised that the Committee would review and approve the Quarterly Assurance Statement by correspondence.

## **4. Papers for Noting**

### **4 (i) Market Outlook**

The Board noted the content of the latest Market Outlook update on visitor trends.

### **4 (ii) Draft Agenda for May Board Meeting**

The Board noted the draft agenda for its next meeting.

## **5. Any Other Business**

### **5 (i) VisitBritain Board Meetings**

In her role as Tourism NI's observer, Aileen Martin provided the Board with reports on VisitBritain Board Meetings held on 30 January and 19 March. The Board discussed how Tourism NI might collaborate with VisitBritain to better sell Northern Ireland overseas, noting that Titanic Belfast had expressed an interest in joining trade missions.

### **5 (ii) Influencers**

The Chairman remarked that it would be useful to receive a paper setting out details of influencers used by Tourism NI, the costs associated with such activity and in particular, showing how influencers are engaged and their reach and authority validated (**ACTION**: JMcG).

As there was no other substantive business, the Chair concluded the main meeting with a short closed discussion with Board Members.

## **6. Date of Next Meeting**

The next Board Meeting is due to be held on Wednesday 15 May at Tourism NI Headquarters.