

Board Meeting 20 February 2025

TOURISM NORTHERN IRELAND MINUTES OF BOARD MEETING HELD AT TOURISM NI HEADQUARTERS, LINUM CHAMBERS, BELFAST ON THURSDAY FEBRUARY 2025

Participating:

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

In attendance:

- Mr John McGrillen, Chief Executive
- Mr John West, Strategic Adviser to the Board
- Ms Aine Kearney, Director of Events
- Mr David Roberts, Director of Strategic Development (item 2 (i))
- Ms Suzi McIlhatton, Quality & Standards Manager (item 2 (i))
- Mr Adrian Doherty, Director of Corporate Services
- Mrs Dorothy Erskine, Head of Research and Insights
- Mr Jim Daly, Executive Support Team
- Ms Caoimhe Bunting, Executive Support Team

Apologies:

- Ms Karly Greene

1. Introduction / Standing Items

The Chairman welcomed those present. Apologies were recorded 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 at this point.

1 (i) Minutes of Previous Meeting

Minutes of the previous Board Meeting held on 12th December 2024 were approved as an accurate record.

1 (ii) Matters Arising – Actions from Previous Meeting.

The Board noted the status of action points from previous meetings. Raising December's Data Hub discussion, Members asked how a proposal to review outputs after two years would be monitored and were advised this is being progressed by the Insights team.

The Board was advised that an action to update the stakeholder engagement plan could be progressed as Tourism NI had now appointed a new permanent Corporate Communications manager and officer.

The Board also discussed the possibility of making better use of Board Members' time by holding sub-committee meetings online where possible. It was noted that the Finance & Casework Committee already does this, and while it was sometimes preferable to hold meetings of the Audit and Risk Assurance Committee in person, remote meetings could be arranged if required.

2. Items for Discussion

2 (i) Accommodation Certification Review

The Director of Strategic Development and Quality & Standards Manager joined the meeting, to seek feedback on the findings of an external review of Tourism NI's accommodation certification service. The Board agreed that Aileen Martin, Colin Johnston and Ciaran O'Neill were not required to withdraw from the discussion as no decision was required at this stage. As the paper provided summarised the findings of the review the Board asked for the full report to be shared for information (**ACTION**: DR).

The Board was advised that currently Tourism NI is required to recover the cost of operating the schemes. It was confirmed that the associated fees are due to rise significantly once the new cost model is agreed and consultation is completed. In the Executive Team's view there is a case for moving to a new model of regulation, but the legislative timeframe means that such a move is a number of years away.

The Board discussed future regulatory options for self-certification schemes, noting that Tourism NI would set the criteria and the duration of review cycles. The paper set out a number of options, recommending the adoption of a hybrid model of certification that requires a physical inspection to be carried out when a new property opens and following this with self-certification at specified intervals. A related issue is the need for assurance on compliance with requirements such as fire safety. While responsibility for compliance rests with the property owner, it was felt that there is a residual reputational risk for Tourism NI in the event a property is non-compliant with such requirements.

The Board also discussed the approach to uncertified short term lets. Members were advised that the Criminal Justice Inspectorate had prepared a report evaluating enforcement activity by various statutory public bodies, including Tourism NI, in their areas of responsibility. The issue for TNI is the unquantified scale of the problem and the resource needed to deal with it effectively. As there is no legal requirement for booking platforms such as AirBnB to undertake any enforcement action themselves or to share their data with Tourism NI, a priority will be to build such a requirement into amended legislation.

It was observed that while the certification scheme offers a useful baseline of quality in accommodation, with the grading scheme offering a further measure, both schemes are resource intensive. It was also noted that Northern Ireland has the highest average quality score of any UK region, indicating the value of the certification and grading schemes. The industry was noted to be invested in the process. A key risk at present is how the team can manage the existing scheme until the primary legislation potentially changes in the future. Tourism NI would be at risk of reputational damage if it cannot meet its statutory obligations, and it had taken on additional resources to ensure it fulfils these requirements. Additionally there was an expectation that Tourism NI should act on complaints from the public about uncertified properties listed on platforms such as AirBnB; it was confirmed that Tourism NI takes action when it becomes aware of such properties but monitoring these would be especially resource-intensive.

The Board discussed PR activity to encourage prospective accommodation providers to become certified ahead of the forthcoming Open Championship. While this appeared effective, activity so far has been limited to the North Coast. The Board suggested that further messaging should be carried out on social media and other channels across Northern Ireland. The Board also recommended that in order to drive home the need for visitor accommodation to be certified and to meet compliance obligations, the Quality and Standards and Corporate Communications teams should develop a communication plan, including engagement with local Councils and DMOs (**ACTION: DR / SMcl**).

Summarising the discussion, Members were in agreement that accommodation certification should remain part of the regulatory framework, albeit that change was needed. The Board considered that the adapted hybrid model of certification was a suitable approach, potentially as part of a transition to a registration scheme in the medium to long term. The Board's view was that the NI industry is not yet sufficiently mature to move to a registration scheme. The Director of Strategic Development agreed to progress the consideration of future models of regulation with DfE officials, recognising that policy in this area is set by the Minister and NI Executive. Members also suggested that it would be useful for Board paper summary pages to include a field highlighting risks to be aware of (**ACTION: EST**).

2 (ii) Policy Review Update

The Board was presented with a paper listing the current register of 37 corporate policies and setting out a process for future approval of policies, including those which require approval by the Board. In many instances the mainstream NI Civil Service had developed existing policies with which Tourism NI is expected to align. It was proposed that in such cases, the Executive Leadership Team could approve these and provide a statement of assurance to the Board. Only in those instances where a policy deviates from the NICS or where there is no pre-existing NICS policy would the Board's approval be required.

Discussing the proposal Members commented that the Board should review all policies at least once and suggested that given the number of policies in question, this should be done in one or two meetings dedicated solely for that purpose. The Board agreed that the Chairman and Chief Executive should discuss the best approach to dealing with these (**ACTION: JMcG**).

2 (iii) Direct Award Contract (DAC) – Volunteer Now

The Board was presented with a request to approve a Direct Award Contract to Volunteer Now. The purpose of the contract is to support the 'Giant Spirit' volunteer programme which will be central to delivery of the forthcoming 153rd Open Championship at Royal Portrush in partnership with the R&A and Causeway Coast & Glens Borough Council.

The Board approved the awarding of the DAC.

3. Quarter III 2024-25 Performance Reports

3 (i) Operating Plan 2024-25 Performance Monitoring

A report was presented on progress against Operating Plan objectives in the third quarter. The Board noted that fifteen objectives displayed an amber status, indicating that their full delivery is uncertain. The Board asked if this might affect Tourism NI's capacity to spend its budget allocation for the year and Members were advised that spend remains on track. Two objectives showed red status – the first of these was the objective to deliver a robust sustainability programme, which has been paused in light of the EU's Green Claims Directive.

Also brought to the Board's attention was an issue relating to roll-out of the new CRM system for Quality and Standards. This was intended to replace the existing TIDInet framework with a more resilient new system that would enable Tourism NI to continue to fulfil its statutory responsibilities. A review of the first phase was due to be complete by the end of December and presented indications that the programme of work involved is more complex and more costly than anticipated. The Board was advised that as a result the Chief Executive and Director of Corporate Services intend to carry out a review of the project to assess which workstreams represent critical elements and to identify any areas that may be discontinued. This had been flagged as a risk. The Board asked if there was any breach or issue with affordability of the project and was advised that while this is not the case, amendments will be required to the business case and the contract. The Board stressed that the matter should be brought to a conclusion as soon as possible and requested an update be provided at its meeting on 20 March (**ACTION: JMcG / AD**).

Commenting on the number of amber status objectives the Board asked for further detail on mitigating actions and clarity on those objectives likely to be met in full or not completed. Members requested that an update on these objectives should be circulated by correspondence as soon as possible (**ACTION: AD/ DE**).

The Board was advised that Tourism NI is recruiting a new Governance Manager who will have responsibility for oversight of the objectives going forward.

3 (ii) Risk Management

The Board was presented with a report on the status of corporate risks at the end of the third quarter. Members were advised that arising from the recent risk workshop facilitated by the Chair of the Audit and Risk Assurance Committee, parallel pieces of work are continuing to label risks more definitively and to develop a focused risk register centred on those matters that Tourism NI can either control or influence. Once complete these will be presented to the ARAC and then the Board for approval.

The Board noted the update.

3 (iii) People and Organisational Development

The Board was presented with a Quarter III report on HR and organisational development matters. Members were pleased that levels of long and short term illness were both low, although it was noted that as Tourism NI is a small organisation the long-term absences slightly distorted the figures. The Board discussed benchmarking against averages in the NICS although Tourism NI's rates of absence were noted generally to be much lower.

Discussing employee relations, the Board noted that a class action by NIPSA members is a case being pursued against the entire NI Civil Service and not an issue specific to Tourism NI. Members also discussed training – it was noted that the Audit & risk Assurance Committee receives regular reports on completion rates of mandatory training. The Board also discussed the need for industry awareness training for staff. It was noted that this had been discussed as part of the ongoing leadership programme and industry speakers were routinely invited to address meetings of the Corporate Management Team. In addition it was proposed that consideration should be given to reviving 'lunch and learn' sessions for staff in addition to fam trips to visitor facilities.

The Board was also advised of the topline findings of a recent staff survey on hybrid working. A key issue for staff was noted to be consistency in the application of rules on office working. The Board asked to see the detailed findings of the survey (**ACTION**: AD / LF).

3 (iv) Finance Report

The Board was presented with a top-line report on progress against budget spend. A report had been presented to the Finance & Casework Committee on 29 January, covering the period to the end of December 2024. The report to the Board included slightly updated figures to the end of January. It was agreed to co-ordinate future reports that come to the Finance & Casework Committee and Board so that they present the same details. Members were pleased to note that one significant difference highlighted by the newest report was the increase in spend, with good progress being made now that the issue of Tourism NI's vires had been resolved. Spend was broadly on target and staff were commended for the work that they had done throughout the year to profile and manage payments more evenly throughout the year, avoiding a surge in activity at the financial year end.

The Board was advised that there were some instances of surrender and re-profiling of resource which had helped to accommodate a number of staff salary increases during the year, as well as the legal costs associated with resolving the vires issue. The Finance and Casework Committee had also requested some detail on surrender of capital funds in previous years to establish whether there is any historical pattern.

Members were also advised that Tourism NI had been unsuccessful in a bid for additional resource for marketing activity. Members agreed that the Board should receive quarterly updates on budgets.

4. Reports

4 (i) Chairman's Report

Members noted the Chairman's report on activity representing Tourism NI in the period since the last Board meeting. She reported on the recent launch of Belfast Harbour's tourism strategy which had featured a very positive presentation by Simon Calder highlighting the benefits of tourism. The Chairman also thanked Members for their participation in the Board's strategic awayday and Members provided some feedback on the format and facilitator. Arising from this a revised Corporate Plan is to be brought to the March Board meeting, taking into account the very challenging budget allocation set out by the Department. The Board was advised that the Chairman and CEO had met DfE to discuss the budget and had also raised the subject at an initial meeting with the new Minister.

4 (ii) Chief Executive's Report

Members noted the content of the Chief Executive's report on current issues. He reported on an initial meeting with the new DfE Minister together with the Chairman. He had highlighted the likely impact of Tourism NI's resource budget allocation for 2025-26, which amounts to at least a 22% reduction in contrast with the increased allocation provided to Tourism Ireland. Discussing the likely implications for Tourism NI's ability to deliver on its objectives, the Board asked if recent resolution of the vires issue might permit Tourism NI to generate income by charging for services such as industry participation in the Meet the Buyer workshop. It was also observed that the reduced allocation would curtail Tourism NI's ability to support Tourism Ireland's activity, as well as reducing its share of voice. The Board was also advised that capital budgets would present a challenge in the coming year.

The Board also received a report on the Chief Executive's meeting with the CEOs of the other UK national tourism agencies. This was the first face-to-face meeting of the group since the start of the Covid pandemic and its focus was on a range of common challenges and interests including market conditions, the introduction of electronic travel authorisations and the proposal by some jurisdictions to introduce a tourism levy.

An update was also given on preparations for the forthcoming Open Championship in July at Royal Portrush. A fuller briefing is to be provided at the next Board Meeting.

4 (iii) Sub-Committees

Reports were given by the Chairs of the Board's Sub-committees as follows:

Finance & Casework Committee – The Committee had met twice in the period since the December Board Meeting, on 29 January and 17 February. The January meeting reviewed the Finance Report to 31 December, as covered by the update given earlier in the Board Meeting.

The Committee's February meeting focused on two key issues. The status of each of the City and Growth Deals tourism projects was reviewed. There had been slippage on each of these projects to some degree and the Committee had highlighted the need for careful ongoing monitoring and management. The Committee would also be carrying out site visits to the projects on 2 April.

The other item considered by the Finance & Casework Committee on 17 February was a Strategic Outline Case for support to host the Fleadh Cheoil na hÉireann in Belfast in 2026. The Director of Events rejoined the meeting to present detail of the £1m core funding investment sought and advised that this is likely to require additional resource of circa £500k for staff to support delivery of the event, given its scale. Ministers were noted to be supportive of the event. From Tourism NI's own assessment of the figures, estimates in the SOC of out of state visitors, length of stay and economic impact were felt to be over-optimistic, but the Board was advised that in applying TNI's own revised assumptions the return on investment was still very positive. Affordability was a key issue, with Tourism NI unable to fund the support out of core budget and requiring resource for promotion and activation. The Board was also advised of the likelihood that the event would return for a second year if successful.

On the recommendation of the Committee the Board was content to grant in principle approval of support for hosting the Fleadh in Belfast, without accepting the figures set out in the SOC.

Marketing Sub-Committee – Aileen Martin reported on the Committee's meeting on 21 January. Amongst the discussion items were an evaluation of Tourism NI's autumn campaign and insights that would inform the spring campaign. The Committee also considered findings of consumer sentiment research and approved a proposal for a twelve-month managed pilot of TikTok promotion, noting that Tourism NI's target segments tend not to use Facebook or Instagram. It was also agreed to cease using Twitter / X for promotion due to low levels of engagement. The Board asked if there were any cyber security concerns in using Tik Tok and was advised that no sensitive information would be shared as the pilot would focus purely on promotional activity. The Board stressed the need to ensure that the Department is content with the approach adopted by Tourism NI and recommended a submission to the Department to seek its approval.

The Marketing Committee also agreed to recommend an investment of £200k for Year 1 of a three year Gateway proposal. The Board stressed that there would be a need to review this and get assurance in view of the budget allocation, given that a flatline budget had been anticipated and there would now be significant pressures.

Thanks were extended to all sub-committee members for their work.

5. Items for Noting

5 (i) Tourism NI Equality Scheme

The Board was presented with an updated Equality Scheme for Tourism NI for 2025-30, setting out how the organisation will fulfil its obligations under Section 75 of the Northern Ireland Act 1998.

The Board noted the document.

5 (ii) Market Outlook Update

The Board noted the latest report on visitor trends.

5 (iii) Draft Agenda for February Board Meeting

The Board noted the draft agenda for its next meeting, scheduled for 20 March.

6. Any Other Business

The Board was advised of opportunities for industry engagement around the forthcoming Meet the Buyer Workshop.

Members were also notified of tentative dates for a learning journey to engage with VisitScotland, to see its work on product development and large events.

As there were no further items of business the Chairman brought the meeting to a close and convened the Board for a brief closed discussion.

7. Date of Next Meeting

The next Board Meeting is due to be held on Thursday 20 March 2025 at the offices of Antrim and Newtownabbey Borough Council, in Mossley Mill.