

Board Meeting 14 August 2024

**TOURISM NORTHERN IRELAND
MINUTES OF BOARD MEETING
HELD AT TOURISM NI HEADQUARTERS, LINUM CHAMBERS, BELFAST
ON WEDNESDAY 14 AUGUST 2024**

Participating:

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

In attendance:

- Mr John McGrillen, Chief Executive
- Mr John West, Strategic Adviser to the Board
- Ms Diane Edgington, Boardroom Apprentice
- 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 Jim Daly, Executive Support Team

1. Introduction / Standing Items

The Chairman welcomed those present. No apologies were recorded. 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

Minutes of the Board Meeting held on Thursday 27th June 2024 were approved as an accurate record.

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) Tourism NI Corporate Values

The Director of Corporate Services and Head of People and Organisational Development joined the meeting to present a revised framework of corporate values for Tourism NI, for the Board's approval. These were developed following a comprehensive process of engagement with Tourism NI staff and with the input of the Board. The values were underpinned by a number of core principles including honesty, inclusivity and respect, and were themselves defined as Collaboration, Ambition, Resilience and Excellence, giving the acronym CARE. Behaviours emblematic of each value were set out by way of example.

The Board was advised that Tourism NI is seeking to ensure that the values also align with Tourism NI's corporate brand. Next steps were outlined, including an autumn programme of staff briefing sessions and training for managers, which will set out how Tourism NI identifies, recognises and rewards positive action. Members commented that it was important also to reflect on behaviour that is not representative of the values and to ensure that staff, whether in peer groups or management roles, are encouraged to call out negative behaviour where they see it. Members agreed that it would be useful for the Board to take a pulse-check of the process from time to time and evaluate how the values are being embedded. Discussions touched on whether there should be some effort to extend the values into the industry, but it was felt that Tourism NI's responsibility should be to own the values and embed them in its corporate culture.

The Board suggested some further thought should be given to seeing that the examples of positive behaviour are each aligned to the most appropriate values and also, to ensure that the values are not simply inward-looking but industry facing too.

In closing the Board was content to endorse the values and commended the work that had been done to identify these. In considering the role that Heads Together had played in helping to develop the work, the Board suggested that the Audit and Risk Assurance Committee should give some thought to a clear definition of consultancy.

2 (ii) Review of Tourism NI Legislative & Regulatory Framework

The Board was presented with a report and draft action plan arising from an independent review of the legislative and regulatory framework underpinning Tourism NI's activity. This had been commissioned by the Board in response to a number of legacy issues that emerged in recent months. The report sought to provide assurance on the compliance of Tourism NI's approval processes and work programmes with the existing framework of legislation.

Discussing the report the Board highlighted the need to have certainty and assurance in respect of matters such as fee charging for certification and grading schemes, as well as in Tourism NI's ability to financially support the work of third parties such as Visit Belfast and Visit Derry. Members stressed that the actions arising from the review must be solution-orientated.

The Board also remarked that there was a need to ensure that Tourism NI's activity conforms to the powers set out within the Tourism (NI) Order, and the Chief Executive advised that it is proposed to create a new staff post specifically to monitor this and assure adherence. Members

raised the issue of managed service contracts and the marketing frameworks, and both were noted to have been procured within the agreed framework, with business cases that are required to be multi-year and strategic. Members agreed that going forward businesses cases above an agreed value would be presented to the relevant Board sub-committee for consideration and recommendation to the Board.

Members also emphasised the need to highlight within the body of the report that it had been commissioned at the request of the Board. Reviewing the action plan they commented that one action (1.2) had been assigned to DfE, they stressed its completion should be jointly overseen by Tourism NI. Similarly, the Board commented that all actions remaining to be completed should be agreed with the Department, and target dates for completion set (**ACTION: AD**). It was noted that the Audit and Risk Assurance Committee would monitor the completion of actions and report back to the Board.

Discussing the action to set a delegated limit for approval of resource expenditure cases, the Board recommended that a paper should be developed that sets out not just these but the delegated limits for capital programmes (**ACTION: AD**).

The Board approved the action plan – commenting that much work remained to be done. Members asked that this work be completed quickly and comprehensively, to draw a definitive conclusion to the issues identified within the report.

The Board thanked the Executive Team for their work on the matter and thanked Linda MacHugh for the input that she had provided. The Chairman advised that she would write to Diarmuid McClean to thank him for his work in preparing the report.

2 (iii) Carbon Reduction Action Plan

The Director of Strategic Development presented the Board with a revised Action Plan. The Board had previously reviewed the plan and had asked for it to be revised to focus on actions that are within Tourism NI's control. The focus of the new plan was on Tourism NI's operations at its Linum Chambers headquarters. The Board was advised that the current focus is on the impact of staff travel to and from the office and a survey of staff members' travel habits is taking place. The Board also discussed a variety of options for future office relocation or reconfiguration, including the provision of additional vehicle charge points and a reduction in floorspace. It was noted that any proposed changes would require the involvement and approval of the Department. The Board noted that Tourism NI's statutory obligation to reduce its carbon footprint would be shared with Invest NI and that there might be merit in a joint approach.

Members suggested that in addition to taking action itself, Tourism NI should seek to influence industry practice by making sustainable activity a condition of financial support and should consider how the certification and classification schemes might further these aims. The Board was advised that various options are under consideration for this purpose with a number of parallel workstreams taking place. It was also noted that CPD has targets to include similar requirements within contract tendering.

Summing up the Chairman remarked that Tourism NI's primary focus should remain in the first instance on its own activity and on policy that might impact on this, with influencing the industry forming a third strand.

The Board was content to approve the Action Plan, subject to Tourism NI confirming those activities that fall within its ability to implement. The Board also asked to see the results of the staff travel survey and asked to receive regular updates on the implementation of the Action Plan. (**ACTION:** DR).

2 (iv) Proposed 2025 Board Meeting Dates

The Board approved a schedule of meeting dates and key agenda topics for January to December 2025. Diary requests would be circulated to Members in due course (**ACTION:** EST).

3. Reports

3 (i) Chair's Report

The Board noted the list of engagements undertaken by the Chairman since the last Board Meeting and she provided brief reports on her visit to The Open at Troon and a meeting with the CEO of Armagh, Banbridge and Craigavon Borough Council.

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 – An update was given on progress towards establishing the Minister's Tourism Strategic Partnership Board. Around 25 people had been invited to participate with members drawn from across government and industry. The aim of the Partnership Board is to advise the Minister on actions to be included within a three-year Tourism Strategic Action Plan. Tourism NI's new Corporate Plan, likely to run from 2025-28, will then be developed to align with this.

The Board was also advised of discussions both at Ministerial level and between partner agencies in relation to the Minister's proposal to extend the ROI experience brands north of the border. The Department for the Economy (DfE) had written to Tourism NI, Tourism Ireland and Fáilte Ireland, inviting them to participate in a steering group for this purpose. It was emphasised that practical considerations such as resource needs and the commissioning of new creative content for advertising would need to be discussed and agreed.

The Chief Executive also reported on discussions at a recent meeting with the Chief Executives of VisitScotland, VisitWales and VisitBritain. Of particular concern to all was the ongoing pressure on consumers' disposable income, driven by cost of living and pressures on the housing market created by short-term lets. The Board was advised that although other jurisdictions are looking at a tourism levy as a possible means of addressing these issues, this is not under consideration for Northern Ireland at present.

The Board was also advised that Visit Derry had recently approached DfE to present a business case for resources, in the context of Derry & Strabane District Council having reduced its financial contribution to operating costs. Tourism NI is to meet Visit Derry soon.

The Board extended its congratulations to Director of Marketing and her team, on their recent receipt of an influencer marketing award.

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 Committee’s meeting of 7 August. The Board at its 27 June meeting had asked the Committee to review the revised 2024-25 budget allocation for Tourism NI. Assurance was provided on the allocation and in respect of the marketing budget for ROI activity, the Board was advised that although last year’s final allocation was higher than this year’s opening allocation, this was the result of in-year bidding and additional resource allocated late in the year. This year’s opening allocation of £2.1m is twice the opening budget of £1.05m for last year. It was noted that a further resource bid of £1.1m specifically for marketing has been made in the September monitoring round. The Board was advised that the Committee was content with the allocation.

The Committee had also been presented with a Strategic Outline Case for the Cuilcagh Lakelands Geopark Growth Deals project, and its approval was sought to progress to the Outline Business Case stage. The Committee granted conditional approval, recommending that the OBC should clarify a number of matters including the availability of match funding, testing of the base assumptions and how disparate projects spread over a wide area could form a cohesive product. The Committee suggested that the OBC should also consider the case for narrowing the focus to prioritise a smaller number of key assets. It was noted that the Board is due to visit Cuilcagh ahead of its October meeting which is due to be held in Fermanagh.

NOTE: The following extract is exempt from disclosure under section 43.2 (“Commercial Interests”) of the Freedom of Information Act 2000

[REDACTED]

[REDACTED]

Discussing the Committee’s update the Board commented that it would be useful for finance reports to include a variation report on projected budget spend to date. It was confirmed that profiling takes place on a monthly basis.

The ARAC Chair advised that she had consulted National Audit Office guidance on reporting, which recommends that operating plan performance and finance should both be reviewed by the full Board. She undertook to share this guidance with the Finance & Casework Committee Chair. The Board agreed that it should review the Operating Plan and Finance reports on a quarterly basis. **(ACTION: AD).**

Audit and Risk Assurance Committee – The ARAC Chair presented the Committee’s draft annual report to the Board. While the Committee had approved the report, it had agreed that it should remain in draft until work on the annual audit is complete. Reviewing the report the Board commented that a passage in the conclusion (9.1) which read “the period without any Audit and Risk Assurance Committee did not represent good practice” implied that Tourism NI was at fault, and should have emphasised that this was the result of the Department not being in a position to appoint new Board Members, in the absence of a Minister. The Board asked that the wording of the relevant passage should be changed (**ACTION**: AD).

The business discussed by the Committee at its meeting on 6 August was outlined. A final Internal Audit Service report on Tourism NI’s performance reporting had been given a satisfactory opinion. Retrospective business case approval had been granted for a number of IT / digital services projects. An update had also been given on a work to create a register of Tourism NI policies and an associated assurance framework, with the Committee noting that most policies are due for review. The Committee had also reviewed and noted a report on risk management at the end of Quarter 1 and had requested a paper on procurement processes, specifically on how consultancy is defined, and on the process for approval of Direct Award Contracts.

The Board was advised that broadly, the Committee was content that the issues it considered are being presented and discussed in an appropriate way. There was a discussion of delegated approval limits, and it was noted that Invest NI’s limits had been adjusted relatively recently. In view of this it was suggested that any changes that Tourism NI makes to its own limits should be done incrementally and any changes to delegated limits should be brought to the Board for approval (**ACTION**: AD).

Marketing Committee – A report was given on an initial meeting of the new Marketing Subcommittee. The Committee had agreed to appoint Karly Greene as chair. Revised Terms of Reference had been reviewed and approved. Business cases for website and marketing agency procurement were presented. It was noted in respect of the website procurement that while Tourism NI had been content with its existing provider, and a change could prove costlier, there was no option simply to consider retention as part of the process. The Committee had also discussed the marketing budget allocation for 2024-25. The Board was content to approve both the business cases in line with the Committee’s recommendations.

4. Quarter 1 2024-25 Performance Reports

4 (i) Operating Plan

The Board was presented with a report on performance against Operating Plan objectives at the end of Quarter 1. Most objectives (89%) were showing a green status, either complete or on target to be fully met. The Board focused on reviewing those objectives that remained incomplete. Some 5% of new accommodation ventures had joined the grading scheme in the year to date, against a target of 10%. Proactive action is being taken to get this target back on track. It was also stressed that as Tourism NI is required to work with DfE to effect changes needed in the primary legislation, the broader process is not within its control. With respect to the transition of accommodation certification and grading IT infrastructure from the existing TIDI system to the new CRM system, the Board was advised that delays were the result of staff changes both at Tourism NI and at EY who were providing specialist support. It was noted that all other actions were on track.

A number of revisions had also been made to the Operating Plan and the Board approved these.

4 (ii) People and Organisational Development

The Board noted a report on organisational development and HR issues in the first quarter. An update was given on a class action being pursued by the NIPSA union. The Board suggested that the report should include an 'employee relations' section. Members were advised of the resignation of the Corporate Communications Manager. Referring to recent civil disorder the Board was assured that no staff had been impacted by violence and was advised of steps that Tourism NI had taken to assure their safety. It was noted that no evidence was yet available from accommodation providers in relation to the effects on tourism businesses.

5. Items for Noting

5 (i) Market Outlook Update

The Board noted the content of a report on visitor performance and trends. An update was given on data from the Central Statistics Office.

5 (ii) Draft Agenda for October Board Meeting

A draft agenda for the next Board meeting was noted. The Board asked for an update on the Tourism Partnership Group to be added to this (**ACTION:** JMcG).

6. Any Other Business

The Chairman advised that this represented Diane Edgington's last meeting as the Boardroom Apprentice. On behalf of the Board, she thanked Diane for her valuable contribution to the Board's work over the last year and wished her well for the future.

As there was no other substantive business, the Chairman thanked participants and brought the meeting to a close.

7. Date of Next Meeting

The next Board Meeting is due to be held on Thursday 3 October at the Lough Erne Resort, Enniskillen.