



Belfast City Council

Report to:	Development Committee
Subject:	Conference Subvention for Belfast and Northern Ireland
Date:	14 October 2009
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Relevant Background Information

Belfast City Council and the Northern Ireland Tourist Board are currently finalising the Belfast Integrated Strategic Tourism Framework which identifies the priority areas for tourism investment over the next 5–10 years. Ambitious targets have been set which will require Belfast City Council to focus on areas of highest return; the further development and enhancement of Belfast as a conference destination is one of these areas.

Members will be aware that the key purpose of Belfast Visitor and Convention Bureau is to attract leisure and business visitors to the City. Of the 1.2 million overnight visitors who stayed in Belfast during 2008, some 432,000 have been identified as business visitors by the Belfast Tourism Monitor. This figure includes the conference market, estimated at almost 81,000 visitors.

Whilst the economic downturn has impacted on business trips in general, the discretionary business visitor continues to spend significantly more than leisure visitors (based on delegate Expenditure Survey 2006, an international association delegate spends £364 per day) and due to the high volume of delegates that conferences bring to the City, this segment sustains the tourism industry throughout the year, especially during off peak periods. In 2008, 84% of business visitors to Belfast also stated that they would be interested in returning to the City for a leisure break.

Two studies have recently been undertaken to explore the further development of Belfast as a conference destination. These address the immediate need for Belfast to increase its Conference Subvention Fund to attract conferences to the City and second is the longer term need for a new or extended convention centre with integrated exhibition facilities.

Key Issues

The market for conference and meetings is highly competitive. Belfast is one of 70 destinations within the UK aiming to attract attendees of conferences and events to their town or city. Outside the UK, there are new emerging destinations across Asia and Europe as well as existing cities that are enhancing their product offer significantly, such as Dublin with its new Convention Centre opening in the summer of 2010.

All the top cities use subvention to attract not for profit conferences.

<u>City</u>	<u>Subvention</u>	<u>Funder</u>
Birmingham	£650,000 per annum	Advantage West Midlands
Manchester	£6 million over 3 years	Council
Glasgow	Circa £1 million per annum	Council
Edinburgh	£450,000 per annum	Council and Enterprise
<u>Agency</u>		
Brighton	£1 million per annum	Council
Blackpool	£1 million per annum	Council
Liverpool	£ 1 million per annum	Council
Bournemouth	£1 million per annum	Council

At present Belfast City Council has a Conference Subvention Fund of £29,580.

During 2004-2006 NITB provided £561,627 (funded by the International Fund for Ireland) towards conference support across Northern Ireland. Belfast was the main benefactor as this fund allowed BVCB to successfully bid for large scale conferences, such as the Inner Wheel, Irish Congress of Trade Unions, the World Toilet Summit and the Annual Rotary Conference. The overall impact of the Fund resulted in a total value of £6.8 million, providing a return on investment of over 12:1. Within this period, the total economic impact of conferences supported by BVCB in 2006/07 was £17.5 million.

Since this programme ended, it has become increasingly difficult for Belfast and Northern Ireland to compete successfully and a number of conferences have been lost due to the lack of conference subvention.

Conference subvention across the UK is supported by city councils and in many instances local enterprise agencies. Belfast City Council is now making a formal approach in partnership with NITB to Invest Northern Ireland (INI) to financially support a new Conference Subvention Fund for Belfast and Northern Ireland. The objective is to develop a Fund of significant levels to compete with other cities. It would be envisaged that each funder would contribute equal amounts with a view to launching in 2010/2011.

Members will also be aware that investigations are underway to improve Belfast's conference and exhibition facilities. Whilst this is a separate issue from conference subvention, it directly relates to Belfast's physical capacity to grow business tourism. A feasibility study on options for new or extended integrated conference and exhibition facilities has been undertaken. It is now timely to consider these findings within the context of the corporate approach to determining capital priorities and the place shaping agenda.

Resource Implications

If INI and NITB commit funding to conference subvention, the Tourism, Culture and Arts Unit will need to identify funding from 2010/2011 budget.

Recommendations

Members are asked to note:

1. The ongoing work to identify a Conference Subvention Fund for Belfast.
2. The options for a new or extended conference centre with integrated exhibition facilities will now be considered within the context of the corporate approach to identifying capital priorities as part of the place shaping agenda.

Decision Tracking

The Committee will be advised of outcome of contributions from NITB and INI.

Time frame: December 2009 Reporting Officer: Shirley McCay

Key Abbreviations

NITB – Northern Ireland Tourist Board
BVCB – Belfast Visitor and Convention Bureau
INI – Invest Northern Ireland

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