



Belfast City Council

Report to:	Development Committee
Subject:	Belfast Visitor and Convention Bureau Monitoring Report
Date:	28 September 2011
Reporting Officer:	John McGrillen, Director of Development, ext 3470
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1	Relevant Background Information
1.1	Members at Development Committee on 15 June 2011, agreed to contribute £1,865,465 towards Belfast Visitor and Convention Bureau's (BVCB) marketing and visitor servicing plans in 2011/2012 and agreed that the first six months of performance would be reported back to Committee in September 2011.
1.2	The top line targets outlined in the Belfast Integrated Strategic Tourism Framework by 2014 are; 40% increase in overnight visitors to 2.38 million 20% increase in bed-nights to 4.7 million 20% increase in spend to £294 million
1.3	To reach these targets will require a joint effort between Belfast City Council, BVCB, Northern Ireland Tourist Board (NITB), Tourism Ireland and the private sector. This report provides an overview of BVCB's performance to date against specific performance indicators as detailed in the Belfast City Region Marketing and Visitor Servicing Plan 2010 – 2014 (presented to Development Committee in February 2011).
1.4	Appendix 1 lists BVCB's key targets and performance achieved to date.
1.5	Officers meet BVCB on a regular basis to discuss progress of the plan and sit as observers on the Board. Eight Members of Belfast City Council are Directors on the Board of BVCB. A formal review of progress is undertaken by officers on a quarterly basis.
1.6	BVCB is tasked with leveraging income from the private sector. In BWC, space is allocated to Failte Ireland (FI) at a rental value of £25k / year and this has generated income in previous years of £5k. This is further clarified in Appendix 2.

2	Key Issues
2.1	<p>NITB Funding</p> <p>When Committee agreed funding for BVCB in June 2011, NITB was still in the process of confirming their contribution. NITB has now issued their Service Level Agreement which the board of BVCB has agreed. Overall funding has been reduced from NITB from £600,000 to £416,667, with the main impact on Leisure Tourism Marketing, which they no longer support (a decrease of £175,000). NITB has increased support towards Business Tourism Marketing and continue to support Visitor Servicing, although the latter on a decreasing scale. NITB has given a commitment to fund BVCB up to 2015, subject to budgets prevailing and satisfactory performance.</p>
2.2	<p>Officers have discussed this directly with NITB and the rationale for the reduction in funding is based on cuts to their own budget and competing demands. In respect of Leisure Marketing, NITB have a budget of £2 million (partly funded via ERDF) to target NI / ROI markets. This funding can not be allocated to a third party. NITB has given a strong commitment that Belfast will feature heavily in any campaign and they will work with BVCB at planning stages to ensure consistency around messages and activities. This presents an opportunity for Belfast to influence £2 million marketing spend in our closest markets.</p>
2.3	<p>The reduction in visitor servicing may be offset by NITB investing in the relocation of the Belfast Welcome Centre (BWC) to ground floor location. They have indicated that are willing to support a proportion of the capital costs (subject to application and appraisal) on the basis that any move would contribute to the BWC being more financially viable and less dependent on public funding.</p>
2.4	<p>Other priorities identified in the Belfast City Region Marketing and Visitor Servicing Plan include:</p>
2.5	<p>Digital Marketing – the plan identified the need for BVCB to maximise new digital media platforms, which is even more relevant if budgets are reducing. BVCB is currently in the process of up grading the www.gotobelfast.com website and developing a new digital marketing strategy. There is an opportunity to further align this work to Belfast City Council’s digital media activity.</p>
2.6	<p>Tourism Ireland / NITB – BVCB is to develop an influencing role to ensure that Belfast is positioned appropriately within both NITB and Tourism Ireland activity. NITB is already mentioned above, and meetings continue between both organisations to better align marketing activity. In respect of Tourism Ireland, there are ongoing discussions on market plans and potential opportunities for co-operative campaigns e.g. carrier activity from GB market. This area requires a continual interface and as Market Plans are developed for 2012, there is now an opportunity to influence Tourism Ireland at planning stages.</p>
2.7	<p>Focus – BVCB needs to prioritise market segments and activity. In relation to focusing activities, BVCB has embraced the need to focus and recently restructured to prioritise business tourism and digital marketing activity.</p>
2.8	<p>Research and Evaluation – this remains an important issue to be addressed. This will require a joint approach between Belfast City Council, BVCB, NITB and DETI (NISRA). The level of detail required in respect of visitor profile, market share as well as timeliness of statistical information must be tackled. This is primarily an action for the Tourism, Culture and Arts Unit and meetings have already been scheduled for the end of September.</p>

2.9	Overall, BVCB's performance to date is on target and it is recommended that the next instalment of their funding, £759,500 is released. In respect of the decrease in NITB funding, it is important that the council and BVCB influence the NITB's £2million marketing budget as well as Tourism Ireland's budget to ensure the city can deliver the step change that 2012 and 2013 creates the platform to achieve. It is therefore recommended that Committee consider inviting NITB and Tourism Ireland to present on what they are doing for Belfast.
2.10	Due to trading trends as outlined in the letter of request (Appendix 2) BVCB have made a request that FI continue their rental contract and that the income contributes to the financial position of the Belfast Welcome Centre, and that BCC allow rental income received remain within the accounts of the Belfast Welcome Centre.
2.11	BVCB will showcase Belfast at the World Travel Market Show, ExCel London, 7 to 10 November 2011. The focus will be Titanic and presents a valuable opportunity for the city. As has been customary it is recommended and requested that Council is represented by the Chair, Deputy Chair and one officer.

3	Resource Implications
3.1	<u>Financial</u> Next instalment of BVCB's funding, £759,500 to be released. Committee approved the overall contribution of £1.865 million in June 2011 and it is included in Departmental budgets for 2011 / 2012.
3.2	Cover delegate fees, travel, accommodation and expenses of Chair, Deputy Chair and one officer to attend the World Travel Market to not exceed £1,000.

4	Equality and Good Relations Considerations
4.1	No specific equality or good relations considerations.

5	Recommendations
5.1	Members are asked to note the contents of this report and: <ul style="list-style-type: none"> – Release the next instalment of BVCB's funding, £759,500. – To consider inviting NITB and Tourism Ireland to present to Committee on what they are doing for Belfast.
5.2	Members are asked to approve the Chair, Deputy Chair and one Officer to attend the World Travel Market, ExCel London Monday 7 to Thursday 10 November 2011.
5.3	Members agree that the rental income from the FI desk in BWC remain in the accounts of BWC.

6	Decision Tracking
The next performance report is due back in January 2012.	

7	Key to Abbreviations
BVCB – Belfast Visitor and Convention Bureau BWC – Belfast Welcome Centre NISRA – Northern Ireland Statistics and Research Agency DETI – Department of Enterprise, Trade and Investment NITB – Northern Ireland Tourist Board FI – Failte Ireland	

8	Documents Attached
Appendix 1 – Performance to date against targets Appendix 2 – Letter from BVCB re: FI rental income	