

## **Review of the Northern Ireland Tourist Board (NITB) and wider Tourism Structures**

### **Draft Belfast City Council response – September 2014**

#### ***Recommendation i***

**NI Executive should publish an updated Strategy for Tourism at an early date (page 16):**

The production of an updated NI Tourism Strategy would be a welcome addition. Belfast City Council in partnership with NITB will finalise a tourism strategy for Belfast City in 2014. According to NISRA around 60% of tourism revenues for Northern Ireland are generated in Belfast. Therefore it is vitally important that the tourism strategy for Belfast City is aligned with that of Northern Ireland and that the two are mutually supportive.

Belfast's role as a demand generator and gateway needs to be properly acknowledged in any new regional strategy for tourism. A draft Belfast Tourism Strategy report indicates that a realistic target for the economic value of tourism to Belfast in 2020 is £876m. This is subject to a number of caveats including enhanced partnership working with DETI and regional agencies such as NITB. If fulfilled, this will go a significant way to delivering upon the regional agenda for tourism. NITB, DETI and Tourism Ireland officials been involved in the development of the strategy. Key macro issues highlighted in the strategy include improved air access into Belfast, the need for a significant number of additional hotel bed spaces, review of licensing laws, and access to relevant investment funds. A sense of urgency should be attached to this recommendation.

#### ***Recommendation ii***

**DETI Minister should chair Inter-Departmental Group to oversee progress in the implementation of the new Strategy (page 17):**

This would be a very positive step and would help give the strategy the profile that we feel it merits, given the potentially significant return that can be expected from tourism in the region. DETI would naturally lead this process ensuring other Departments are aligned with the strategic priorities for tourism. Ideally any new regional Tourism Strategy would detail the responsibilities of each Department in respect of tourism under the stewardship of DETI.

This process should also engage with Local Authorities in some form as key delivery partners on the Regional Strategy. Belfast City Council would welcome the opportunity to be engaged in this process given the role that Belfast can fulfil in achieving overall regional targets.

***Recommendation iii***

**DETI should strengthen its accountability frameworks for NITB and TIL, based on the objectives and targets in the new Strategy (page 1):**

A fundamental point is still the lack of a truly robust system for monitoring the value of tourism. There are perceived flaws in the existing process undertaken through NISRA. Belfast City Council has for several years engaged the services of a third party company to produce qualitative and quantitative data. At times the figures produced through the process have not aligned with NISRA statistics, therefore could be perceived to lack integrity.

As part of the new Belfast City strategy, it is proposed that a new monitoring system will be put in place. This will be based on International best practice and will utilise new technology systems. We would therefore be keen to ensure NITB buy-in to this process in order to secure consistency of approach and to share resources attached to data gathering

We consider that one of the current issues in relation to data collection is the time lag between collection and the data being made available. New technologies mean that there are now much more sophisticated ways in which real-time information can be made available.

***Recommendation iv***

**DETI should continue its efforts to secure improvements in air connectivity and improved visa arrangements (page 17):**

Air access is a major concern for Belfast City Council in realising the benefits of tourism. In the summer of 2014, Belfast City and Belfast International airport reported a combined decline of 7% in combined carrying capacity over the same period in 2013 (Stevens 2014). This set against the backdrop of an overall increase of 14% in air capacity to Ireland, centred on Dublin airport.

In February 2014 the UK Chancellor was able to take advantage of revised EU guidelines around state aid to invoke a start-up fund to support route development from regional airports. We understand that work is under way within DETI to identify key hubs and gateways in order to improve air route access to and from the region. Belfast City Council would be keen to input into this, given that there is one airport in our boundary and another in the adjacent council areas.

Belfast City Council will seek to work with partners in Visit Belfast and NITB to encourage Tourism Ireland to focus marketing efforts around existing airports with air access into Belfast to increase numbers of discretionary visitors coming to the City and Northern Ireland. This is a short term measure which could encourage more route development by airlines, making the business case more attractive.

***Recommendation v***

**NITB should continue its work with Invest NI to develop a NI economic development brand** (page 18):

A more defined Northern Ireland brand is vitally important to the wider economic agenda for Northern Ireland both from a tourism and investment perspective. Identifying those values that set Northern Ireland in an increasingly competitive global marketplace should be a priority.

Belfast City Council is also seeking to look at how it is positioned in terms of tourism, economic and education agendas. Institutions such as Queen's University have global reach and a stronger city and regional positioning can only assist the efforts of NI institutions and businesses.

Belfast City Council will work with the City's anchor institutions to deliver this repositioning agenda. As part of the new Tourism Strategy for Belfast City, the Internationalisation agenda will be to the fore. This will require a strong brand identity to support its delivery.

Belfast City Council is keen to work with NITB and Invest NI to ensure that the Regional and City positioning/ branding is aligned and resourced.

***Recommendation vi***

**NITB should develop a model Memorandum of Understanding (MOU) as a basis for future partnerships with the new District Councils** (page 19):

This is a welcome suggestion. As part of the new Tourism Strategy for Belfast there is a desire within the city to see a MOU developed between Belfast City Council, Visit Belfast, Tourism Ireland and NITB. This is with a view to clearly defining roles and responsibilities and bringing all of the key organisations in line in terms of the agenda for Belfast City. If challenging targets are to be achieved this is vitally important.

The MOU should look at many aspects of tourism including governance, marketing, product development, events and visitor servicing.

Belfast City Council would like to see this type of arrangement fully developed in the current financial year, with a view to roll out from next financial year. We consider that, in this work, it will be critical to agree a range of outputs and outcomes and to monitor these regularly.

***Recommendation vii***

**NITB should work with NILGA in the provision of suitable learning opportunities for Councillors and their staff in the exercise of their new powers and responsibilities in regard to local tourism development** (page 19):

This initiative would assist the transition in the adoption of new powers. Belfast City Council will have a development process for new Members and existing officers during this

current financial year leading to the adoption of new powers from April 2015. However, we would welcome working with external partners in a meaningful way to enhance this process, and are keen to share any learning emerging from our work.

***Recommendation viii***

**NITB's new client facing destination managers should be based at local level, where they could help develop and implement the tourism element of Council's Community Plans** (page 19):

Belfast City Council is unclear as to the added value of this idea. It is important that NITB engage more at a local level and build relationships so that they better understand the dynamic of the local tourism sector. However, in our view, a more appropriate arrangement might be for the destination managers to help support community plans rather than suggest that they will develop and implement the tourism element of those plans. Strong partnership working should overcome any challenges associated with working across a number of institutional boundaries.

Belfast City Council considers that the emerging tourism strategy for the city will form the tourism element of the community plan. As a partner to that strategy, NITB will be fully engaged and their commitment will be central to ensuring its delivery.

***Recommendation ix***

**NITB should establish a new Tourism Growth Fund to be financed jointly by NITB and the new Councils, with financial support from other funders, including EU Structural Funds and the private sector** (page 19):

This is a welcome suggestion. The concept of a growth fund has been highlighted in the draft Belfast Tourism Strategy. This would allow for more strategic decisions to be made and fund regionally significant capital developments.

In order to deliver upon the Tourism Strategy for Belfast, funding will need to be secured from various sources so that the 'International class' aspirations for NI tourism can be achieved. As the major contributor to tourism growth in the region, we would be keen to ensure that resources are appropriately directed at key investments which will not only support tourism development in the city, but also in the wider region.

If Belfast City is to achieve the £876m revenue target by 2020 this has a number of caveats including continued investment in product development is required from various sources.

***Recommendation x***

**NITB should develop a new MOU with Visit Belfast** (page 20):

See comments in response to recommendation V1. We would suggest that it would be more practical to ensure that any MoU involved NITB, BCC, Visit Belfast and Tourism Ireland. This will allow for better alignment of resources and collective, collaborative

planning. This formalised partnership arrangement is necessary for delivering collective agendas.

***Recommendation xi***

**NITB should develop a more customer facing relationship to its larger clients and sectors through the appointment of “pillar managers” for clusters of organisations linked to the five experience pillars (pages 20-21):**

Any initiative which helps develop partnerships in this way is welcome. Engagement of the private sector in a meaningful way is fundamentally important to the delivery of any new tourism strategy. At a destination level, having clear points of contact in NITB is helpful in ensuring more efficient ways of working.

***Recommendation xii***

**NITB should extend the development of MOUs to more of its significant partner organisations (page 21):**

This is a sensible approach as a short term solution in advance of agreement around the Regional Tourism Strategy and laterally more formalised inter-Departmental working as described in the document.

Following the ratification of a new NI Tourism Strategy these MOUs can be more specific with clearer outputs.

One of the fundamental points made during a learning journey to Bilbao in November 2013 was the need to prioritise public-public partnerships. This recommendation is useful in developing this process.

The current organisational map in Belfast for tourism is crowded, particularly in the public sector. If regional and city targets are to be achieved at a time of financial challenge, resources need to be efficiently allocated to achieve target outcomes. This requires a mature dialogue among all partners in order to ensure that resources are invested in a way that will make a difference.

***Recommendation xiii***

**NITB should convene twice a year a relatively large representative advisory body (page 22):**

Given the range of existing structure and the proposals within this consultation for additional bodies, this advisory body would need a very clear terms of reference.

A large group made up of the public and private sectors worked towards the 2012 agenda. Experience showed the group worked well as there was a very definitive focus and target. However, after 2012 had been completed it became difficult to sustain the group in a meaningful way. There are effective models in operation that could be looked at as a

reference point, such as the ITIC model in the Republic of Ireland.

***Recommendation xiv***

**NITB should continue to develop its skill base and its access to outside expertise** (pages 22-23):

It is important that NITB invest in staff to ensure they have the relevant competencies to deliver on a new agenda for the organisation. Where it more cost effective to bring the expertise in from outside that is a sensible approach.

International benchmarking should be an element of this, engaging partners such as local authorities and the private sector in this process.

NITB needs to assume a leadership role in NI tourism hence the staff need to be equipped to deliver that function.

The draft Belfast City Tourism Strategy is purporting a much more International outlook for Belfast City. This will involve continually assessing International best practise. Belfast City Council would be keen to engage meaningfully with NITB on this agenda.

***Recommendation xv***

**NITB should continue to develop its marketing techniques, not least in regard to use of new digital technologies** (page 23):

NITB provide a useful role in the promotion of Northern Ireland in the Island of Ireland. If there was more transparency with more lead in time to these campaigns there would be greater opportunity for collaborative marketing. Campaign schedules tend to arrive with a short lead in making it difficult to dovetail activity.

New developments in new technologies should be embraced. There has been significant investment in digital infrastructure e.g. superconnected Belfast and Derry/Londonderry projects. This investment should be exploited further to consider how it can be used for new marketing techniques in these key locations. Equally, the global increase in the use of internet technologies means that serious consideration needs to be given to re-focusing marketing activities towards these areas.

More consistent messaging in areas such as greater Dublin should realise greater benefits. Second tier destinations and products should be promoted in more targeted platforms as opposed to key source markets.

Closer alignment with Visit Belfast should be pursued in terms of joint campaigns and activity. Visit Belfast has significant marketing expertise that could be more closely aligned with NITB activity. Greater alignment with Tourism Ireland must also be a priority.

***Recommendation xvi***

**NITB and TIL should deepen their relationship through improved communication and enhanced collaboration (page 24):**

This is a cost effective way of realising research material and understanding marketing trends. This relationship should remain and be developed to maximise the benefits for Northern Ireland.

The link with Tourism Ireland and Visit Britain should also be developed upon in line with the new MOU between the two organisations.

***Recommendation xvii***

**NITB and TIL should deepen their relationship through improved communication and enhanced collaboration (page 24)**

We consider that this is critical. The tourism sector at large requires that both organisations work closely together to deliver upon the wider economic development and growth agenda.

Tourism Ireland has worked closely with Visit Belfast on a number of campaigns and initiatives and Belfast City has seen the benefits of this collaboration. In order to ensure that this takes place in a more consistent manner, it will be important to ensure that there are clear and consistent regional and local messages that they can carry and promote.

While the private sector in Northern Ireland is represented on the Tourism Ireland Board, it is vitally important the Chief Executive from NITB also sits on this Board. This will ensure more continuity between the roles, remits and messaging from both organisations and will present greater opportunities for collaboration and resource sharing.

***Recommendation xviii***

**NITB and TIL should exploit the new NI economic development brand, when developed (page 24):**

This is an important development. If Tourism Ireland is to be asked to adopt the NI brand, it will be important to ensure that it is appropriately tested in those international markets identified as priorities for Northern Ireland, not just home markets.

In 2014 Belfast City Council will lead with City anchor institutions on the development of a new Belfast City brand/ positioning. This will be usable across tourism, economic and educational agendas. Belfast City Council is keen that NITB, Invest NI and others fully engage with this process to ensure alignment with the regional branding.

***Recommendation xix***

**NITB should undertake market research into the value of the current star grading system for accommodation (page 25):**

This would be a valuable exercise to undertake. While the current system has some considerable value, it does not fully reflect new trends and developments such as Air BnB.

As part of the Belfast Tourism Strategy, it has been suggested that consideration should be given to new types of accommodation to meet the needs of the target markets for Belfast City. It is unlikely that the current regulatory system would allow for new accommodation types to develop in the City so we would welcome a wider look at how this could be resolved. This could include initiatives such as pop up hotels and five star hostels. Belfast is currently bidding to host a major event which will require the development of novel approaches to meet the shortfall in accommodation. While the current system does provide assurances, it would be useful to reflect the growing areas of market demand and to consider how their accommodation requirements could be met within a grading system that remains transparent and robust.

***Recommendation xx***

**Invest NI should continue to provide business support services to the tourism industry, signposted by the NITB's new destination and pillar managers (page 26):**

It is our view that NITB continues to be the body most associated with tourism development. As a result, companies are more likely to be drawn to their support and the organisation has a range of expertise in dealing with these businesses. On the other hand, engagement between the tourism sector and Invest NI is relatively low at present, potentially the result of a lack of visibility of the services on offer.

The key issue is to be clear to those businesses requiring the support what is available to them and to be flexible in providing the support.

***Recommendation xxi***

**Invest NI should remain responsible for the administration of accommodation grants, pending the outcome of DETI's planned review (page 27):**

Belfast City Council considers that the grant administration is a secondary issue: the priority issue is the need to take a proactive approach to supporting future hotel developments in order to meet the projected demands for the city. For example, in order to realise the KPIs around the £30m development of the Waterfront Hall Belfast, it is estimated that an additional 3000 hotel beds will be required by 2020. A recent study by ASM Howarth indicates that it is likely that 500 more hotel bedrooms will come online by the end of 2016. This suggests a significant shortfall in provision in the city.



***Recommendation xxii***

**Invest NI should take the lead in evaluating major (multi-million pound) tourism with NITB support (page 27):**

Belfast City Council agrees with this recommendation given the expertise of staff members within Invest NI. NITB should support this agenda utilising staff experiences in this sectoral area.

***Recommendation xxiii***

**Invest NI and NITB should continue to explore joint initiatives as circumstances emerge (page 27):**

Greater cooperation and alignment between both organisations can only be a positive outcome. There is significant expertise within both organisations therefore closer working can only help deliver upon regional agendas. This theme is echoed across all our comments. Belfast City Council is also content to be part of that planning, with regard to developments within the city.

***Recommendation xxiv***

**Invest NI and NITB should co-locate when NITB's current lease expires in 2016 (page 27):**

Financially and logistically this would seem like a pertinent recommendation.

***Recommendation xxv***

**Invest NI and NITB should explore opportunities for the provision of common back office services as current contracts come to an end (page 28):**

Opportunities for synergies and operational efficiencies such as this should be developed where appropriate. We understand that this takes place already.

***Recommendation xxvi***

**Invest NI should take over the NITB's responsibility for processing grant payments (page 28):**

NITB have over the past number of years improved the grants system. However, as above, it may be useful to look at where the most appropriate fit for this service would sit. We are aware from other experience of engagement with Invest NI that they have a strong grant management and administration system in place.

***Recommendation xxvii***

**DEL should initiate a review of the tourism sector skills needs, in conjunction with NITB and People 1<sup>st</sup>, with substantial industry involvement (page 29):**

This is an ongoing challenge. Training excellence displayed in attractions like Titanic Belfast is not replicated across Northern Ireland and this needs to change if our growth ambitions are to be achieved.

Initiatives like Welcome Host are helpful but don't address many of the skills shortage within the industry.

The Belfast Tourism Strategy indicates the need to look towards international best practice in organisations like Cornell to truly move the tourism sector and wider hospitality sector to the standard expected by the visitor. This will in part overcome the leadership deficit within the sector.

We consider that this is a priority area. Excellence in standards across the tourism and hospitality sectors is required to deliver upon the regional and local objectives. The relocation of the hospitality and tourism faculty of the University of Ulster to its Belfast campus presents a significant opportunity to create flagship training schemes to support the growth of quality tourism products and service.

***Recommendation xviii***

**NITB should monitor the training needs of the industry (page 30):**

NITB will be well placed to monitor training needs if working at a local level. However, NITB need to work with partners to identify International best practice and proactively identify emerging tourism trends to allow the wider sectors to satisfy tourist demand for quality and service.

People 1<sup>st</sup> has a critical role to play in this work as well and they already produce a range of quality reports on standards and training needs across the industry.

***Recommendation xxix***

**NITB's new organisational structure should involve the restructuring of the Product Development Directorate as a Directorate of "Destination Areas and Experience Pillars" around a combination of destination and pillar managers, with the latter covering clusters of regional organisations associated with each of the five experience pillars (page 31-32):**

This would seem a logical way of delivering upon the recommendations within the paper. However consideration may be given to the language which, outside of the sector, may not be clear. In this regard, NITB should consider, in particular, how businesses might regard these designations and how they may or may not be able to understand what they mean.

***Recommendation xxx***

**NITB's other Directorates should be remodelled to provide support for the new Directorate** (pages 31-32):

This seems a prudent approach, albeit that we assume that it will emerge as part of the wider organisational re-design.

***Recommendation xxxi***

**NITB's new Chief Executive should assume early responsibility for the development of the new organisation structure** (page 32):

The new Chief Executive should have the opportunity to lead the change management process. It is important to find the correct delivery model within NITB for the future delivery of tourism within Northern Ireland. Constant minor changes over the past number of years have caused some confusion externally. The early appointment of a new Chief Executive can help address this issue.

***Recommendation xxxii***

**NITB should engage in an organisation development and culture change programme to embed the transformation on the client** (page 32):

This is a logical approach and should ensure that activity is aligned with client needs.

***Recommendation xxxiii***

**NITB's name should be changed in order to signal the scale of the envisaged transformation** (page 32):

A new name should reflect the roles of the organisation. Visit NI may be a logical suggestion, given the "Visit..." designations used by the regional cities in their tourism development and promotion activity.