



<b>Subject:</b>	Consultation - DETI Review of Tourism Accommodation Policy 2015 - 2020
<b>Date:</b>	12 August 2015
<b>Reporting Officer:</b>	Lisa Toland, Head of Economic Initiatives and International Development
<b>Contact Officer:</b>	Brian Johnston, Tourism, Culture and Arts Manager

<b>Is this report restricted?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report</b>
1.1	The purpose of the report is to present a draft response to a DETI consultation on the review of tourism accommodation policy for the period 2015-2020. The review considers the existing accommodation provision and considers the potential future demands in light of projected growth. A copy of the consultation is attached as Appendix 1.
1.2	The consultation closed at the end of July. In order to meet the consultation timeframes, a draft response was submitted – based on the Appendix 2 to this report. However, officers confirmed that this response should be considered a draft and that it would have to be endorsed by elected members in August. DETI provided a template for all responses so the council response follows this template.
<b>2.0</b>	<b>Recommendations</b>
2.1	Members are asked to approve the draft response to the consultation, as set out in Appendix 2.
<b>3.0</b>	<b>Main report</b>
3.1	The consultation document highlights the importance of tourism to the region. It estimates that tourism supports 43,000 jobs and contributes 5.2% of the GDP. The Programme for

	<p>Government sets targets to increase tourism to 4.5 million overnight visitors and tourism spend to £1 billion by 2020. To meet these targets, it will be necessary to provide suitable accommodation.</p>
3.2	<p>Members will be aware that the Integrated Tourism Strategy for Belfast has a number of challenging targets in terms of visitor numbers and economic return. The strategy proposes to double the value of tourism by 2020 to £870million annually.</p>
3.3	<p>The review reveals that the main shortfall is in the supply of 4/5 star accommodation, and that Belfast in particular, may be approaching an undersupply in these categories. This issue will become more urgent as the opening date for the Waterfront Conference and Exhibition Centre draws closer and the demand for midweek business tourism grows. This echoes research that has recently been undertaken by Visit Belfast and, on this basis, there has been some early engagement with lending institutions, hoteliers and developers to see what can be done to address this situation. In addition, since this engagement, a number of hotel applications have been submitted to the planning service.</p>
3.4	<p>One of the key proposals of significance to Belfast in the draft policy document is the proposed end to the moratorium on funding for capital investment in accommodation in Belfast. It is proposed that a Tourist Accommodation Loan Fund will be developed for hotel and larger-scale accommodation projects in the Belfast area until 2020. Funding will be available for a limited range of developments including:</p> <ul style="list-style-type: none"> <li>– New Build: four star and five star hotel developments</li> <li>– Expansion projects: four star and five star hotel expansion projects</li> <li>– Market repositioning: upgrades where, on completion, the hotel will be at least four star.</li> </ul>
3.5	<p>The draft policy suggests that local authorities will have a significant role to play in helping articulate the demand for tourism accommodation within their respective areas, working in conjunction with Tourism NI and Invest NI.</p>
3.6	<p>It also touches on the need to look at how flexible solutions such as pop-up hotels can be used to accommodate large spikes in demand, for example if there is a major event in the city. Finally, it proposes a revision of the current certification for accommodation categories to allow for additional flexibility, with the emergence of new types of accommodation solutions.</p>

3.7	<u>Financial &amp; Resource Implications</u> No specific financial or resource implications.
3.8	<u>Equality or Good Relations Implications</u> No specific equality or good relations implications.
4.0	<b>Appendices – Documents Attached</b>
4.1	<b>Appendix 1</b> - DETI: Review of Tourism Accommodation Consultation 2015-2020. <b>Appendix 2</b> - Draft Belfast City Council Response to the Review of Tourism Accommodation Policy 2015-2020.