



Subject:	Visit Belfast: 2018/19 Business Plan and 2018/22 Strategy
Date:	7 March 2018
Reporting Officer:	Donal Durkan, Director of Development
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

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

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to present the request for funding from Visit Belfast for the 2018/19 financial year and to set out the organisation's strategic plan for the coming four years, focused on increasing visitor numbers and, as a result, tourism spend in the city. Members should note that Visit Belfast will be in attendance at the Committee to present its 2018/19 business plan and 2018/22 strategic plan.

2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> - Note the draft Visit Belfast business plan 2018/19 and strategic plan 2018/22 and the areas where Council funds will be applied. The overall funding agreement with Visit Belfast is built into the revenue estimates. - Approve the funding allocation of £1,902,465 for 2018/19 expenditure, subject to the development of a funding agreement establishing priority areas of activity and agreed targets - Support the additional areas of investment for the coming financial year – set out in section 3.10 – in line with the 2018-2022 strategic plan. The collective budget allocation will not exceed £95,000. This investment will be measured as part of the ongoing activity monitoring work undertaken with Visit Belfast and will be reviewed at the end of the financial year.
3.0	Main report
3.1	<p>Members will be aware that Visit Belfast is the principal Destination Management and Marketing Organisation for the city of Belfast. Visit Belfast leads on the tourism marketing activities in Belfast. It is a membership organisation with more than 500 member businesses across the wider hospitality industry. Visit Belfast works, on behalf of its members, with a range of public and private partners such as the Belfast Chamber and the Business Improvement Districts (BIDs) to promote Belfast as a tourism destination.</p>
3.2	<p>Visit Belfast targets both the leisure and business tourism markets. It has a Memorandum of Understanding (MOU) with Belfast Waterfront to drive new business to the City. There have been significant successes in this field and business events and conferences taking place in the City in this financial year are projected to deliver a return of around £45 million.</p>
3.3	<p>Visit Belfast is a public/private partnership. Its current Chairman is Howard Hastings OBE from the Hastings Hotel Group. Belfast City Council has four Councillor representatives on the Board: Councillor Arder Carson, Councillor Deirdre Hargey, Councillor Emmet McDonough-Brown and Alderman Guy Spence.</p>
3.4	<p>The tourism and hospitality sector in Belfast is expected to become one of the largest employers in the city in the coming years. Forecasts suggest that the sector will account for around 15% of new jobs in the coming decade. While the tourism sector currently accounts</p>

for only 5% of the regional GDP, in many other locations, this is more than 10% of the GDP. This illustrates the potential for additional growth within the sector. One of the key growth areas is in hotel accommodation: planning approval has been secured on almost 2,300 new bedrooms since 2016 and 1000 of these rooms will be complete by the end of the year. While this will address the current shortages in the market, analysis identifies the need for additional bed spaces to meet the growing demand. The Belfast Agenda aims to attract 1 million out of state visitors to the City by 2021, generating £500million of spend. This will increase the demand on hotel bedspace and will present opportunities to support the further development of the sector.

3.5 Visit Belfast is focusing on growing overnight stays as well as servicing the day trippers to the City. Visit Belfast is currently looking at the implications of these targets for its work and its presentation to Committee will take account of how it plans to focus its operating model in order to maximise the return on investment and capitalise on emerging areas of opportunity.

3.6 One of the new areas of work that the Council supported in the current financial year was an in-market presence, based in London, focused on generating new business leads, predominantly in the business tourism sector. This involved a financial contribution of £75,000 from Council. The investment has been very successful – identifying around £40 million of potential new business to date. Visit Belfast is proposing to continue this investment in order to explore new opportunities and deliver on a number of new leads generated. This new business will benefit all of the venues in the City, including Belfast Waterfront.

3.7 In a separate report to this Committee focusing on support for wider tourism development in the City, and noting the mid-term review of the Integrated Tourism Strategy for Belfast, reference is made to the “demand-side” and the “supply-side” interventions in the tourism industry. Visit Belfast – along with Tourism Ireland, Tourism Northern Ireland and other marketing partners – are largely responsible for the “demand-side” activities, principally marketing the City to those interested in visiting. In parallel, “supply-side” activities such as local tourism initiatives, product development, skills development and infrastructure investment are required in order to build the sector and ensure that there is a credible, quality product that can be marketed to target audiences. The report notes that the Council has a significant role to play in supporting and shaping the product development and skills development activity and recommends that its investment in tourism marketing – driven by Visit Belfast – is at least maintained in the context of an increasingly competitive tourism

market.

3.8

The 2018/19 operational plan proposes retaining the focus on exiting areas of business while developing a number of new projects which will help deliver on the business targets. These activities will be undertaken within existing Visit Belfast resources. They include:

- Researching and targeting new conference business among the UK Association Conference network
- Developing new 'Born in Belfast' events that align to the city's research and industrial base and that have the potential to attract an international audience, in conjunction with research and industry partners as well as the City's key venues (including Belfast Waterfront)
- Developing a new digital marketing campaign which will utilise the new brand across both the business and leisure tourism markets
- Development of additional visitor welcome facilities for the growing number of cruise passengers (more than 200,000 expected). Belfast Harbour will provide a new facility from 2019 so this interim year will focus on improved imagery within the current 'marquee' facilities and additional 'welcome band' performances, particularly for the larger ships
- Additional investment in language support to take account of needs of international visitors. The Council has already supported Visit Belfast by providing resources to cover costs allocated with their engagement in the 'China Ready' programme for frontline staff
- Re-focusing of marketing activities to develop 'packages' and 'experiences' tailored to visitor needs – and to encourage additional spend.

3.9

Visit Belfast have also been working on a four year strategic plan. This aims to set the direction of travel for the organisation, to help them meet the ambitions of their partners and funders, and to deliver on the ambitious targets around increased visitor numbers and visitor spend. Seven priority areas of development have been identified. These include:

- Supporting the Belfast Brand implementation: this involves working with their membership base and key partner organisations to support the implementation of the new brand, to maximise take-up and impact
- Sports tourism: researching and supporting new sports-related events that may fit with the City's ambitions, as well as exploring opportunities for conference-based business (e.g. meetings of Referees' Associations etc.)
- International Showcase programme: building on the success of the in-market

presence (see 3.6) as well as previous showcase activity, Visit Belfast will explore the potential of undertaking “showcases” in a number of key cities. These will be selected based on those that are likely to demonstrate the greatest potential for return (e.g they have an existing air link to the city; there are strong partner/Sister City connections)

- Data and tourism insights: technology has revolutionised the way in which data is collected and presented. There is a need to develop real-time tourism insights in order to measure the performance of investment, track visitor attitudes to the City and identify the origin of visitors with a view to undertaking more targeted marketing activity
- Investment in improved support for cruises: with an anticipated 200,000 cruise visitors arriving in Belfast in 2018 and the market looking likely to grow with the development of the new terminal in 2019, there is an opportunity to work on improving the visitor welcome as well as linking into the existing businesses in the City to ensure that they can benefit from the cruise visitors
- Support for enhanced marketing of events: with a growing appetite and ambition to develop Belfast as a recognised “City of Events and Festivals”, it will be important to ensure appropriate levels of investment in marketing for these events in order to generate demand and visitor growth from external markets and ensure alignment with the City brand.

3.10

These development areas will require significant investment from the respective partners if they are to secure the return for the City in terms of visitor spend and footfall. Visit Belfast will seek to lever these additional resources and work with partners to identify opportunities for collaboration in order to move forward on these new areas of work in the coming years. In order to underline the Council’s support for the new areas of work, it is proposed that funding is set aside to help bring forward activity on a number of these priority areas, in line with wider Council priorities. These will include:

- Supporting the Belfast Brand implementation: £20,000 to be set aside from existing budgets to provide brand activation support. Working in conjunction with the 500+ member organisations, Visit Belfast will encourage local organisations to consider how they can utilise the Belfast Brand in order to maximise partner buy-in
- International Showcase Programme: £15,000 to be set aside to support up to three showcase events in key target cities. These events will offer an opportunity to present the business tourism offer in the City. Visit Belfast will work closely with other partners – including Belfast Waterfront – in the delivery of these showcase events

<p>3.11</p> <p>3.12</p> <p>3.13</p> <p>3.14</p>	<ul style="list-style-type: none"> - Support for enhanced marketing of events: up to £60,000 to be set aside to support additional campaigns aligned to a number of the major Events and Festivals, in order to increase visitor numbers from external markets. <p>At present, Visit Belfast is funded 60% by public sector, 40% by private sector partners. In order to maintain the level of funds required to support their delivery, Visit Belfast is reviewing its funding arrangements with key partners. Its four year plan shows that this breakdown is likely to remain broadly the same as the organisation moves forward.</p> <p><u>Financial & Resource Implications</u></p> <p>In the current financial year, Belfast City Council’s funding arrangement with Visit Belfast is £1,902,465. An allocation of £1,902,465 has been set aside within the Departmental estimates for the financial year 2018/19.</p> <p>The proposed pilot activities for 2018/19 set out in section 3.10 will total an additional £95,000. This allocation has also been set aside within the Departmental estimates for the financial year 2018/19.</p> <p><u>Equality or Good Relations Implications</u></p> <p>No specific equality or good relations implications.</p>
<p>4.0</p>	<p>Appendices – Documents Attached</p>
	<p>None</p>