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| Subject: | Visit Belfast Business Plan 2022-23 |
| Date: | 9 March 2022 |
| Reporting Officer: | John Greer, Director of Economic Development |
| Contact Officer: | Eimear Henry, Senior Manager, Culture and Tourism |

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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"/> |

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

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| 1.0 | Purpose of Report or Summary of main Issues |
| 1.1 | The purpose of the report is to present the request for funding from Visit Belfast for the 2022/23 financial year and to set out the organisation's strategic development and operational delivery, focused on supporting tourism recovery. Members should note that Visit Belfast will be in attendance at the Committee to present the detail of its 2022/23 plan. |
| 2.0 | Recommendations |
| 2.1 | The Committee is asked to: |

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| | <ul style="list-style-type: none"> - Note the draft Visit Belfast business plan 2022/23. The overall funding requirement for Visit Belfast in the coming financial year has been taken account of in the revenue estimates that have already been approved by the Council. - Approve a multi-annual funding agreement for 2022-25 and agree a funding allocation of £1,997,465 for 2022/23, subject to the development of a funding agreement confirming priority areas of activity as outlined in the presentation and agreed targets. - Approve to inflationary increase of 2% in year 2 and year 3 of the funding agreement subject to satisfactory progress against targets and budget setting. - Approve renewal of Visit Belfast’s Management Agreement with Council to operate Leisure Marketing, Business Tourism and Visitor Servicing in Belfast including operation of Welcome Centre at 8-9 Donegall Square North. |
| 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 ICC Belfast to drive new business to the city. Before COVID-19 there had been significant growth and successes in this area with Belfast being recognised by the leading industry body as the Best Events Destination 2019.</p> |
| 3.3 | <p>Visit Belfast is a public/private partnership. Its current Chairperson is Kathryn Thomson, chief Executive of the National Museums of Northern Ireland. Belfast City Council has four Councillor representatives on the Board: Councillor Fred Cobain, Councillor Eric Hanvey, Councillor Paul McCusker and Councillor Séanna Walsh. Also represented on the board are members from the private, public and community sectors.</p> |
| 3.4 | <p>The tourism and hospitality industry in Belfast had been going from strength to strength as Belfast continued to drive the regional tourism economy; in 2019 (last published Local Government District tourism statistics by the Northern Ireland Statistics and Research Agency), Belfast hosted 1.9m trips accounting for one third of all tourism trips to Northern</p> |

Ireland and tourism spend amounted to £417m, 40% of Northern Ireland tourism spend. By comparison data available for 2021

3.5 In advance of COVID-19 the trajectory had been positive with forecasts suggesting that the sector would account for around 15% of new jobs in the decade. This was further reinforced by the inclusion of tourism as a key growth sector in the City Deal. This acknowledged the fact that the sector was already a significant economic generator but recognised the need for significant additional investment in order to sustain growth. The council's Cultural Strategy "A City Imagining" also identified the importance of growing the city's sustainable cultural tourism offer through a creative approach that respects the city's heritage and communities.

3.6 Belfast City Council has also developed a 10-year vision for tourism in the city. This committee approved for this plan to complete a public consultation. Following the conclusion of this consultation in February 2022, final revisions are being made and a detailed action plan developed to be presented to Committee in April 2022.

3.7 It is in this context that Visit Belfast has set out their business plan to support the rebuilding of city tourism. Further details of activities that will be undertaken as part of this plan with associated targets will be set out in the presentation to the Committee and are included at Appendix A. In line with this new plan Visit Belfast are seeking the renewal of their Management Contract for a further 10 years alongside the proposal to introduce multi-annual funding with associated year on year key performance indicators. This would be subject to annual budget setting.

3.8 Rebuilding City Tourism

The new tourism plan for Belfast, *Make Yourself at Home*, recognises both the challenges to tourism recovery as well as the opportunities to rebuild tourism in such a way as to maximise the positive impact that it can have on the city. As the Destination Management (and marketing) Organisation (DMO) for Belfast, Visit Belfast have an important role to plan in realising a new vision for tourism. They have responded to this by setting out a new approach:

"To create and service visitors for Belfast and Northern Ireland in order to generate economic benefit and inclusive growth, creating jobs and prosperity for the city region, enabling Belfast to become a more sustainable place to visit, meet and live in."

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| 3.9 | <p>This will require the ongoing adaptation and updating of their strategic planning and delivery recognising that the DMO must respond to the changing environment with a sensitivity to both economic and social context within which they work. This is evident in an increased focus on supporting local tourism and on sustainability.</p> |
| 3.10 | <p>Generating £417m tourism spend and supporting 10% of city jobs in 2019, Belfast's tourism growth and development have seen the city's tourism industry crucially emerge both as a key pillar of the city economy, and also of strategic importance to the wider visitor economy of Northern Ireland. As the regional driver for the Northern Ireland visitor economy, the Belfast City Region will play a significant and important part in any regional recovery plans.</p> |
| 3.11 | <p>Even before Covid-19, consumers, key decision makers and policy makers were already starting to take an increasingly critical look at tourism. Global research undertaken amongst 706 destinations from 52 countries in 2021, highlighted that the pandemic has accelerated the need for destination stewardship, community alignment and digital conversion in order to lay the foundations for building a stronger, more resilient tourism sector in the coming decades. The research identifying three transformational opportunities:</p> <ul style="list-style-type: none"> - Destination Alignment: aligning the public, private and civic sectors drives destination performance - Sustainable Development: destination and product development should marry people, planet, profit and policy - Values Based Marketing: a community's values, goals and creative energy are the new competitive advantage <p style="text-align: right;"><i>DestinationNEXT 2021 Futures Study</i></p> |
| 3.12 | <p><i>Tourism Outlook</i></p> <p>Despite the outlook being far from certain, tourism can contribute to the economic and social wellbeing of the city with high potential to create jobs quickly and provide the economic impetus for a wider economic recovery.</p> |
| 3.13 | <p>It remains unclear what the longstanding or permanent changes Covid-19 will cause the global tourism sector, growth is still expected in the medium term. The initial projection by UNWTO (World Tourism Organisation) that expected to see international arrivals begin to recover by the second half of 2021 estimating a return to 2019 levels within two to four years did not materialised due to the ongoing spread of the virus and new variants. However, even against this difficult backdrop Belfast was able to sustain some levels of activity with a focus</p> |

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| | <p>on Great Britain and Republic of Ireland markets and this will continue as part of efforts to help support the short to medium to longer term recovery and growth projections.</p> |
| 3.14 | <p>The enforced pause on tourism operations, has provided the sector with the opportunity to align itself with city and regional plans aimed at not only economic recovery but longer term socio-cultural needs and climate action that in turn help improve the competitive positioning of Belfast in the international market place. Visit Belfast's business plan mirrors the Council's long term tourism plan to develop a regenerative model and to place tourism at the heart of recovery working with the tourism sector, businesses, organisations and policy makers.</p> |
| 3.15 | <p>In tandem with city tourism development plans, Visit Belfast is proposing to implement new and innovative approaches to its destination sales, marketing and communications and visitor servicing. This will be achieved by utilising the City's core values and place branding to reposition itself, promoting authentic Belfast experiences to enhance competitiveness in order to deliver growth that will benefit residents, businesses and visitors equally.</p> |
| 3.16 | <p>While the full impact of Covid-19 is as yet unknown, what is clear is that any city and regional recovery will need new and innovative approaches in an increasing complex set of market conditions.</p> |
| 3.17 | <p><i>Indications of Recovery</i></p> <p>Trends that emerged from the Spring of 2021, following the lifting of restrictions that essentially closed the hospitality and tourism sectors for a second and elongated period, have been more positive than some may have expected and provide much needed confidence for longer term and more meaningful tourism recovery.</p> <p>The world-class competitiveness of the city region's product and experiences and collective marketing and sales efforts capitalised on the pent-up demand for travel, particularly from its key closer-to-home markets:</p> <ul style="list-style-type: none"> - A clear and immediate interest in finding out more about Belfast and what there is to see and do, with monthly web visits to visitbelfast.com exceeding 2019 levels since June and 190,000 enquiries handled by the visitor servicing team throughout 2021. - Hotel room occupancy exceeding 70% in the summer to near pre-pandemic levels thanks to strong interest from the Republic of Ireland and Great Britain – year end hotel room occupancy of 50% - 21 percentage points higher than forecasted earlier in the year. |

- 1 in 4 short breaks taken by ROI residents last summer were taken in Northern Ireland
- Resumption of conferences and events brought 19 in-person and hybrid conferences to Belfast from August to December.
- A welcome return of cruise tourism with 72 cruise arrivals from June to November bringing over 55,000 passengers to Northern Ireland.
- City centre footfall at 77% of 2019 levels.

3.18 Visit Belfast has considered their own strategic and operation plans in the context of the Council's tourism priorities as set out in *Make Yourself at Home*:

- Grow Belfast: The role of tourism is critical to city recovery. For Belfast this will mean the stabilisation of the tourism industry and the requirement for further growth.
- Positioning Belfast: strengthening Belfast's positioning in domestic and international tourism markets - business and leisure - and as a gateway to the region.
- Experience Belfast: increasing connectivity between existing and planned for tourism assets will improve the overall Belfast Experience, inspiring the visitor to stay longer, return and to recommend the city to others.
- Sustain Belfast: The sustainable development of cities is not just a local imperative it is also a key motivation for the visitor.

3.19 Priorities for Visit Belfast's business plan include:

- Directly deliver on the ambitions and priorities set on in *Make Yourself at Home* tourism plan for Belfast
- Expand the city's tourism offer and stimulating consumer confidence in the urban area
- Utilise the strength of the city brand and its equity to promote unique Belfast experiences
- Sustain domestic tourism while supporting the safe return of international tourism
- Support tourism businesses, protecting jobs and contributing to economic recovery
- Achieve tourism growth from high value markets in a sustainable and inclusive way
- Promote and stimulate stronger, fairer and more sustainable eco practices
- Engage with local communities and amplify local experiences & stories
- Utilise and invest in digital technology and communications to increase competitiveness
- Commit to longer term initiatives including signature events, 2024 International Year of Culture and UNESCO City of Music

3.20

Operational Targets for 2022-23

Based on projected levels of recovery in 2022/23, Visit Belfast is proposing the following targets for 2022/23 as agreed by their board:

| Total Output | Target |
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| Leisure Tourism Bed nights | 150,000 bed nights |
| Leisure Tourism Day trips | 100,000 day trips |
| Business Tourism Bed nights | 82,000 bed nights |
| Cruise Visitors | 345,000 pax & crew |
| Visitor Enquiries | 516,000 enquiries |
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| Economic Impact | 2022-23 Target |
| Leisure Tourism | £30m |
| Business Tourism | £40m |
| Cruise Tourism | £16m |
| Visitor Servicing | £11m |
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| Visit Belfast Economic Impact | £97m |
| Budget | £3.6m |
| ROI | £1:27 |

3.21

In addition to delivery of key visitor servicing and marketing programmes Visit Belfast has also identified a number of change projects as follows:

- Visit Belfast to achieve silver level accreditation with Green Tourism
- Aim to have 90% of hotel bedrooms certified with Green Tourism
- Maintain top 20 ranking in Global Destinations Sustainability Index
- Devise an impact measurement plan to measure the impacts of tourism beyond visitor numbers and visitor spend
- Implement key aspects of the Northern Ireland Business Tourism Strategy
- Aim to grow the capacity and skills of frontline staff in the City by enhancing Visit Belfast industry engagement programme
- Review Visit Belfast IT infrastructure and develop IT strategy by Quarter 2
- Development and rollout of Visit Belfast podcast channel "Pure Belfast"
- Investment and development in Visit Belfast website, city guide app and QR codes
- Development of a digital city pass to support local attractions and experiences enhancing city connectivity
- Ensure that VB Welcome Centre is accessible to all and modernise accessibility equipment

3.22

A detailed business plan has been submitted and reviewed by officers. The targets outlined will form the basis of key performance indicators for Council's 2022/23 funding agreement

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| | <p>with Visit Belfast. Regular monitoring against targets will be included. It is proposed that the funding agreement should be for a 3 year period and that these key performance indicators should relate to the trajectory for recovery and align with implementation phases for Council's new tourism plan. This provides a basis for more effective monitoring of performance and will be subject to annual review and renewal with necessary break clauses included.</p> |
| 3.23 | <p>Visit Belfast's Management Agreement with Council to operate Leisure Marketing, Business Tourism and Visitor Servicing in Belfast including operation of Welcome Centre at 8-9 Donegall Square North is due for renewal in July 2023. It is proposed that this is renewed in 2022/23 in order to provide the necessary security to deliver long-term recovery plans.</p> |
| 3.24 | <p><u>Financial & Resource Implications</u></p> <p>In the current financial year, Belfast City Council's funding arrangement with Visit Belfast is £1,997,465. An allocation of £1,997,465 has been set aside within the Departmental estimates for the financial year 2022/23. An inflationary increase is requested from Visit Belfast at a fixed rate of 2 per cent in year 2 and 3. This will be subject to successful performance in relation to key performance indicators and will be taken into consideration when budget setting for 23/24 and 24/25.</p> |
| 3.25 | <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>No specific equality or good relations implications. Visit Belfast also works with councils outside of Belfast, as part of the Regional Tourism Partnership.</p> |
| 4.0 | <p>Appendices – Documents attached</p> |
| | <p>Appendix A: Visit Belfast Presentation of Business Plan 2022/23</p> |