

# **Committee for Enterprise, Trade and Investment**

## **Report on the Tourism (Amendment) Bill**

Together with the Minutes of Proceedings of the Committee  
Relating to the Report and the Minutes of Evidence

Ordered by The Enterprise, Trade and Investment Committee to be printed 5 November 2010  
Report: NIA 13/10/11R Enterprise, Trade and Investment Committee

**Session 2010/2011**

**First Report**

### **Membership and Powers**

#### **Powers**

The Committee for Enterprise, Trade & Investment is a Statutory Committee established in accordance with paragraphs 8 and 9 of the Belfast Agreement, Section 29 of the Northern Ireland Act 1998 and under Assembly Standing Order 46. The Committee has a scrutiny, policy development and consultation role with respect to the Department for Enterprise, Trade & Investment and has a role in the initiation of legislation.

The Committee has power to:

- Consider and advise on Departmental Budgets and Annual Plans in the context of the overall budget allocation;
- Approve relevant secondary legislation and take the Committee stage of relevant primary legislation;
- Call for persons and papers;
- Initiate inquiries and make reports; and
- Consider and advise on matters brought to the Committee by the Minister for Enterprise, Trade & Investment.

#### **Membership**

The Committee has 11 members, including a Chairperson and Deputy Chairperson, and a quorum of five members.

The membership of the Committee is as follows:

Mr Alban Maginness (Chairperson) <sup>1</sup>  
Mr Paul Butler (Deputy Chairperson) <sup>4</sup>

Ms Jennifer McCann  
Mr Leslie Cree

Ms Claire McGill <sup>5,6,9</sup>  
Mr Paul Givan <sup>2,8,11</sup>  
Mr William Irwin <sup>3,10</sup>  
Mr Paul Frew <sup>7</sup>  
Dr Alasdair McDonnell MP  
Mr Gerry McHugh  
Mr Sean Neeson

<sup>1</sup> With effect from 30 June 2009 Mr Alban Maginness replaced Mr Mark Durkan.

<sup>2</sup> With effect from 14 September 2009 Mr David Simpson replaced Mr Robin Newton.

<sup>3</sup> With effect from 14 September 2009 Mr Gregory Campbell replaced Mr Jim Wells.

<sup>4</sup> With effect from the 14 September 2009 Mr Paul Butler replaced Ms Jennifer McCann as Deputy Chairperson

<sup>5</sup> With effect from the 31 March 2010 Mr Alan McFarland stood down from membership of the Committee

<sup>6</sup> On 13th April 2010 Mr Daithí McKay was appointed as a Member of the Committee for Enterprise, Trade and Investment.

<sup>7</sup> With effect from 28 June 2010 Mr Paul Frew replaced Mr Stephen Moutray.

<sup>8</sup> With effect from 1st July 2010 Mr David Simpson resigned as a member.

<sup>9</sup> With effect from 13 September 2010 Ms Claire McGill replaced Mr Daithí McKay.

<sup>10</sup> With effect from 13 September 2010 Mr William Irwin replaced Mr Gregory Campbell.

<sup>11</sup> On 13 September 2010 Mr Paul Givan was appointed as a member of the Committee for Enterprise, Trade and Investment.

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## **Executive Summary**

### **Purpose**

1. The Report details the Committee for Enterprise, Trade & Investment's consideration of the Tourism (Amendment) Bill (the Bill). The Bill is intended to amend the Tourism (Northern Ireland) Order 1992 ("Tourism Order"), which provides the Northern Ireland Tourist Board (NITB) with powers to encourage the development of tourism in Northern Ireland.

### **Principles of the Bill**

2. The Committee welcomed the introduction of the Bill and considered the principles of the Bill to be as follows:

- To change the frequency of the statutory inspections of tourism accommodation ("certification");
- To change the mechanism for appointing the chairperson of the Tourist Board; and
- To make provision for the potential transfer of tourist accommodation grant from Invest NI to the NITB.

3. The Committee issued a public call for evidence and consulted with a range of stakeholders with a variety of interests. Written responses were received from nine organisations and the Committee also requested evidence from a number of stakeholders who had responded to the Departmental consultation on the principles of the Bill. Oral evidence was received from the Northern Ireland Local Government Association (NILGA).

## **Key issues**

4. The Committee was mostly content with the principles of the Bill, but heard considerable concerns from stakeholders relating to the frequency of statutory inspections for tourist accommodations. It was felt that perhaps the prescribed time frame for an inspection (every four years), was too extensive. The Committee raised concerns regarding NITB's power to carry out ad hoc inspections. Lastly, the Committee raised concerns relating to fees for inspections; although this was not in the primary legislation, the issue of fees arose during evidence-taking.

5. The Committee considered that the key issues relating to the Bill were:

- The frequency of statutory inspections for tourist accommodations.
- NITB's power to carry out ad hoc inspections for tourist accommodations.

## **Frequency of statutory inspections**

6. A number of local councils raised the issue of frequency of statutory inspections, therefore the Committee felt it appropriate to invite NILGA to provide oral evidence to the Committee. The Committee received representation from NILGA asking for assurance that a four year inspection would not affect the standard/quality of tourist accommodations. The Department responded by stating that in most cases, there can be little significant change in a tourist accommodation, as certification is mostly infrastructure-based. It does not risk a reduction in quality and would reduce the regulatory burden on the accommodation providers as well as reduce the overall fees for inspections.

7. The Committee reassured NILGA that there is a provision under Clause 1 of the Bill to use subordinate legislation to change the frequency of statutory inspections if it was considered that, in practice, four years is too long of a gap between inspections. NILGA confirmed that this will provide some reassurance and confidence.

8. The Committee raised queries regarding subordinate legislation-making powers under Clause 1. It asked for the Department's comments on the suggestion that the power should perhaps be widened slightly so as to specifically allow the Department to substitute a different number of months for the number of months mentioned in Article 13(4) of Tourism Order in the same way as it can substitute a different period for inspections in Article 13(4) of the Tourism Order.

9. The Department stated that it does not consider this to be necessary and might prove detrimental to the even-handedness of the inspection process.

## **Ad hoc inspections**

10. The Committee received representation from NILGA asking for assurance that NITB could carry out ad hoc inspections without a catalyst (such as a complaint). It was felt that this would help ensure that quality and standards would not be adversely affected as a result of the longer four-year cycle for inspections (versus the current annual cycle).

11. The Department stated that such a provision is already provided for in the Tourism Order under Article 16. It states that, "The Board may, in addition to any statutory inspection, cause a certified tourist establishment to be inspected by an officer of the Board at any time." Furthermore, ad hoc inspections do not incur a fee as they are carried out at the discretion of NITB.

12. In addition, the Bill requires establishment owners to complete an annual self-review and provide that statement to the Tourist Board.

## **Introduction**

13. The Tourism (Amendment) Bill was introduced to the Northern Ireland Assembly on 21 June 2010. The Assembly debated the principles of the Bill in the Second Stage on 29 June 2010, after which it was referred to the Committee for Committee Stage. The Committee sought and received the approval of the Assembly in Plenary Session on 27 September 2010 to extend its consideration and scrutiny of the Bill to 29 November 2010.

14. The Bill contains six clauses and one schedule.

15. The Committee launched a call for evidence on 30 June 2010 and also wrote to key stakeholders asking for views relating to the Bill.

16. In total, nine responses were received. As most responses were from local councils, the Committee agreed to receive oral evidence from NILGA on the issues raised.

17. All papers and responses referred to in the report are listed in the appendices.

## **Summary of the Draft Tourism (Amendment) Bill as Presented to the Committee for Enterprise, Trade & Investment at Committee Stage**

### **Clause 1: Frequency of statutory inspections.**

18. Clause 1 amends Article 13 of the Tourism Order to require the statutory inspection of a tourist accommodation establishment to take place every four years. It also requires a subsequent statutory inspection to take place in the 48th calendar month following the date of issue of a certificate. A certificate is awarded to a tourist establishment upon completion of a satisfactory statutory inspection. The clause also enables the Department to substitute any other period for the four year period. This latter change is subject to approval by the Assembly as it involves amending primary legislation.

### **Clause 2: Statutory reviews of certified tourist establishments**

19. Clause 2 inserts a new Article 14A into the Tourism Order to provide for statutory reviews between statutory inspections. These statutory reviews are to be instigated by NITB, at intervals decided by NITB. This is of particular importance in the first four years of the new system as NITB will need to inspect establishments in each of the first four years so as to put the current stock of tourist establishments onto four different cycles of statutory inspections. Article 15 of the Tourism Order currently provides for revocation of a certificate on a statutory inspection. Article 15(1) is amended to extend these provisions to apply equally to revocation on a statutory review. The clause also inserts a new Article 17A to make provision for the revocation of a certificate if there is a failure to make the return when required to do so. It closely follows existing revocation procedures. The remaining amendments in this clause apply Articles 18 (review) and 19 (appeal) of the Tourism Order to decisions to revoke under Article 17A. These provisions automatically apply to a decision to revoke under Article 15(1) as amended.

### **Clause 3: Imposition of conditions on inspection other than statutory inspection**

20. Clause 3 amends Article 16 of the Tourism Order and enables an officer of NITB to amend or add to the conditions of a certificate on an inspection other than a statutory inspection.

### **Clause 4: Financial assistance to provide or improve tourist accommodation**

21. Clause 4 permits NITB to grant assist tourist accommodation and provides for the transfer of certain assets and liabilities from Invest NI to NITB. As a consequence of this section 3(4) of the Industrial Development Act (Northern Ireland) 2002 (c. 1) is repealed.

### **Clause 5: Appointment of chairman of Northern Ireland Tourist Board**

22. Schedule 1 to the Tourism Order provides that the Board of NITB shall consist of not more than 9 members and that the chairman of the Board shall be appointed by the Minister from among the Board members. This precludes the direct appointment of the chairman via external open competition. This clause amends Schedule 1 to the Tourism Order so that the Minister is no longer required to appoint the chairman from among the Board members.

### **Clause 6: Short title and commencement**

23. Clause 6 allows the Department to bring the various clauses of the Bill into operation on a day or days to be appointed by commencement.

### **Schedule**

24. The Schedule provides for the transfer of certain assets and liabilities from Invest NI to NITB and is a consequence of the amendment made to Article 11 by clause 4 of the Bill which gives NITB the power to grant assist tourist accommodation.

## **Summary of Consideration During Pre-legislative Scrutiny**

### **Rationale for changing frequency of statutory inspections**

25. During pre-legislative scrutiny of the Bill, the Department gave its reasoning for changing the frequency of statutory inspections from the current annual inspection to a four-year regime.

26. The change was initially recommended in 2003 following a major review of the certification of tourist accommodation. Feedback from the tourism industry at that time (and subsequently) was that annual certification inspections were considered unnecessary.

27. Four years is considered to be an acceptable amount of time to leave between inspections and would be underpinned by accommodation providers completing annual registration statements.

28. The Committee was content with the Department's justifications.

## **Frequency of statutory inspections**

29. During pre-legislative scrutiny of the Bill, the frequency of statutory inspections (every four years) was proposed to be written in the Bill, as part of Clause 1.

30. Members suggested that powers to change the frequency of statutory inspections be allowed by way of subordinate legislation. It was felt that this would allow changes to be made more easily and quickly, if the need arose.

31. The Department responded by stating that it welcomed the suggestion and would seek the advice of the Departmental Solicitor's Office (DSO) to ascertain whether such a provision could be incorporated into the Bill.

32. At the time the Bill was introduced to the Assembly, the Bill was written in a way that allowed the frequency of statutory inspections to be changed by way of subordinate legislation.

## **Summary of Consideration**

### **Clause 1 – Frequency of statutory inspections**

33. At Committee Stage of the Bill, the Committee received concerns relating to the frequency of inspections – six out of the nine respondents to the Committee's call for evidence raised the issue. The Committee felt it most appropriate to invite NILGA to provide oral evidence to the Committee. The Committee received representation from NILGA asking for assurance that a four-year inspection cycle would not affect the standard/quality of tourist accommodations. The Department responded by stating that in most cases, there can be little significant change in a tourist accommodation, as certification is mostly infrastructure-based. It does not risk a reduction in quality and would reduce the regulatory burden on the accommodation providers as well as reduce the overall fees for inspections.

34. The Committee reassured NILGA that there are powers in Clause 1 of the Bill to change the frequency of statutory inspections with subordinate legislation. NILGA confirmed that this will provide some reassurance and confidence

35. The Committee had concerns regarding the length of time it would take to change the four year period with subordinate legislation, if the need arose. Departmental officials stated that, if required, appropriate changes could be made within months.



36. The Committee raised queries regarding subordinate legislation-making powers under Clause 1. It asked for the Department's comments on the suggestion that the power should perhaps be widened slightly so as to specifically allow the Department to substitute a different number of months for the number of months mentioned in Article 13(4) of Tourism Order in the same way as it can substitute a different period for inspections in Article 13(4) of the Tourism Order.

37. The Department stated that it does not consider this to be necessary and might prove detrimental to the even-handedness of the inspection process. The main reason was that the Bill as currently drafted provides for an inspection regime whereby NITB and accommodation providers will have a very clear understanding of when statutory inspections will be due. If this were changed, the effectiveness and even-handedness of the cycle would be reduced and this might present issues with the fees charged for inspections, for example an establishment might take issue at paying a full fee for a shorter cycle.

38. The Committee was content with the responses to the issues that arose in relation to frequency of statutory inspections.

## **Clause 2 – Statutory reviews of certified tourist establishments**

39. The Committee sought clarification on whether NITB could carry out unannounced ad hoc inspections, as it was felt that this would help ensure that quality and standards would not be adversely affected as a result of the longer four-year cycle for inspections (versus the current annual cycle).

40. The Department stated that such a provision is already provided for in the Tourism Order under Article 16. It states that, "The Board may, in addition to any statutory inspection, cause a certified tourist establishment to be inspected by an officer of the Board at any time."

41. In addition, the Bill requires accommodation owners to complete a self-review and provide that statement to the Tourist Board on an annual basis.

42. The Committee was content with the responses to the issues that arose in relation to ad hoc inspections.

## **Fees for Inspections**

43. Although not included as a clause in the Bill, the Committee raised the issue of fees for statutory inspections, as it was felt that it was directly related.

44. The Department stated that establishments have the responsibility for paying fees that are related to statutory inspections. It also stated that fees will be slightly higher in the four-year cycle, but as inspections will be every four years rather than every year, the overall cost to establishments will be less. In addition, the operating costs for NITB to carry out inspections will be significantly reduced.

45. Furthermore, ad hoc inspections do not incur a fee as they are carried out at the discretion of NITB.

46. The Committee was content with the responses to the issues that arose in relation to fees.

## **Clause by Clause Scrutiny of the Bill**

Clause 1: Frequency of statutory inspections.

Clause 2: Statutory reviews of certified tourist establishments.

Clause 3: Imposition of conditions on inspection other than statutory inspection.

Clause 4: Financial assistance to provide or improve tourist accommodation

Clause 5: Appointment of chairman of Northern Ireland Tourist Board.

Clause 6: Short title and commencement.

47. The Committee for Enterprise, Trade & Investment is content with clauses 1 to 6 as drafted.

### **Schedule**

48. The Committee for Enterprise, Trade & Investment is content with the schedule as drafted.

### **Long Title**

49. The Committee for Enterprise, Trade & Investment is content with the long title as drafted.

### **Appendix 1**

## **Minutes of Proceedings of the Committee Relating to the Report Thursday, 30 April 2009 Room 21, Parliament Buildings**

Present: Mr Mark Durkan MP (Chairperson)  
Ms Jennifer McCann (Deputy Chairperson)  
Mr Paul Butler  
Mr Simon Hamilton  
Mr Alan McFarland  
Mr Gerry McHugh  
Mr Jim Wells  
Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)  
Mr Paul Connolly (Assistant Assembly Clerk)  
Mr Jim Nulty (Clerical Supervisor)  
Mr Kevin Stewart (Clerical Officer)

Apologies: Dr Alasdair McDonnell MP  
Mr Leslie Cree  
Mr Robin Newton

10.35 a.m. The meeting opened in closed session with the Deputy Chairperson, Jennifer McCann in the Chair.

#### **4. Matters arising.**

Members noted further information provided by the Department concerning the proposed Tourism Amendment Order.

12.45pm The Chairperson adjourned the meeting.

[Extract]

### **Thursday, 25 June 2009 Room 21, Parliament Buildings**

Present: Mr Mark Durkan MP (Chairperson)  
Ms Jennifer McCann (Deputy Chairperson)  
Mr Robin Newton  
Mr Leslie Cree  
Mr Sean Neeson  
Mr Alan McFarland  
Mr Paul Butler  
Mr Gerry McHugh

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Assembly Clerk)  
Mr Jim Nulty (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

Apologies: Dr Alasdair McDonnell MP  
Mr Simon Hamilton  
Mr Jim Wells

10.40 a.m. The meeting opened in public session.

#### **5. Draft Consultation on Tourism Amendments**

Members discussed a written briefing from DETI

Agreed: To seek clarification regarding "bunk houses" and their target audience.

1.29pm The Chairperson adjourned the meeting.

[EXTRACT]

### **Thursday, 2 July 2009 Room 21, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Dr Alasdair McDonnell MP

Mr Simon Hamilton  
Mr Jim Wells  
Mr Sean Neeson  
Mr Alan McFarland  
Mr Paul Butler  
Mr Gerry McHugh

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Assembly Clerk)  
Mr Jim Nulty (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

Apologies: Ms Jennifer McCann (Deputy Chairperson)  
Mr Leslie Cree  
Mr Robin Newton

10.39a.m. The meeting began in closed session.

10.43am The meeting opened in public session.

## **1. Matters arising.**

Members noted the DETI response to the enquiry on bunk-houses.

Agreed: For DETI to proceed to the Executive with the Tourism Amendment Order.

11.55am The Chairperson adjourned the meeting.

[EXTRACT]

## **Thursday, 12 November 2009 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Leslie Cree  
Mr Alan McFarland  
Mr Gerry McHugh  
Mr David Simpson MP  
Mr Gregory Campbell MP  
Mr Sean Neeson  
Mr Stephen Moutray

In Attendance: Mr Jim McManus (Assembly Clerk)  
Mr Jim Nulty (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

Apologies: Dr Alasdair McDonnell MP

10.33am The meeting began in public session.

## **9. Tourism (NI) Order (Amendment) Bill 2010: Results of Consultation –Written Briefing**

The Committee discussed the briefing.

Agreed: The Committee supports the proposal to change the frequency of inspection of tourist accommodation to once every four years, subject to the safeguard of having the facility for spot inspections.

[EXTRACT]

### **Thursday, 24 June 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Ms Jennifer McCann  
Dr Alasdair McDonnell MP  
Mr Gregory Campbell MP  
Mr Gerry McHugh  
Mr Leslie Cree  
Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Clerk)  
Mr Jim Nulty (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

Apologies: Mr David Simpson MP  
Mr Stephen Moutray

10.03am The meeting began in public session.

#### **4. Matters arising from 17 June meeting**

Members noted that the Tourism Bill was introduced to the Assembly on Monday 21 June and considered a suggested list of stakeholders to write to and the draft public consultation.

Agreed: To write to the stakeholders suggested.

Agreed: Content with the public consultation and the 6 week consultation period.

12.18pm The Chairperson adjourned the meeting.

[EXTRACT]

### **Thursday, 1 July 2010 Room 144, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Gregory Campbell MP  
Mr Paul Frew  
Mr Sean Neeson  
Mr Gerry McHugh

In Attendance: Mr Jim McManus (Assembly Clerk)  
Mr Jim Nulty (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)  
Ms Alison Ferguson (Clerical Officer)

Apologies: Mr Paul Butler (Deputy Chairperson)  
Ms Jennifer McCann  
Mr Leslie Cree

10.37am The meeting began in public session.

## **10. Forward Work Programme**

Members discussed the Forward Work Programme.

Agreed: In relation to the Energy Bill and the Tourism Bill, Members agreed that the Committee Office should collate all written evidence and forward the necessary issues relating to clauses, to the Department for a response.

12.08pm The Chairperson adjourned the meeting.

[EXTRACT]

## **Thursday, 16 September 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin  
Mr Sean Neeson  
Ms Jennifer McCann  
Ms Claire McGill  
Mr Gerry McHugh  
Dr Alasdair McDonnell  
Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Clerk)  
Mr Michael Greer (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

10.35am The meeting began in public session.

## **7. Tourism (Amendment) Bill: Oral briefing**

12.31pm DETI officials joined the meeting.

Members received an oral briefing from Lorraine Fleming and John Simms, DETI Tourism Policy and Caroline Adams, NITB. Key issue discussed included the Tourism (Amendment) Bill.

Agreed: Officials to check figures/information on whether the situation (where it has historically been difficult to get financial assistance from NITB/Invest NI) has improved in relation to local organisations and local tourism groups (specifically in West Belfast).

Agreed: To invite NILGA to provide oral evidence regarding the Bill.

Agreed: To request an extension for the Tourism Bill until Monday, 29 November.

12.50pm DETI officials left the meeting.

1.07pm The Chairperson adjourned the meeting.

[EXTRACT]

### **Thursday, 23 September 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Leslie Cree  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin  
Ms Jennifer McCann  
Ms Claire McGill  
Mr Gerry McHugh  
Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Clerk)  
Ms Tara McKee (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

10.35am The meeting began in public session.

## **2. Consideration of Tourism Bill: Internal memo from Examiner of Statutory Rules**

Members discussed the memo.

Agreed: To receive further information from the Department regarding subordinate legislation-making powers under Clause 1 of the Bill.

12.32pm The Chairperson adjourned the meeting.

[EXTRACT]

## **Thursday, 30 September 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)

Mr Leslie Cree

Mr Paul Frew

Mr Paul Givan

Mr William Irwin

Ms Jennifer McCann

Dr Alasdair McDonnell

Ms Claire McGill

Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)

Ms Sohui Yim (Assistant Clerk)

Ms Tara McKee (Clerical Supervisor)~

Ms Michelle McDowell (Clerical Officer)

10.35am The meeting began in public session.

### **5. Tourism (Amendment) Bill: Oral briefing**

11.08am NILGA Officials joined the meeting.

Members received oral evidence from Peter Thompson and Alderman Jim Dillon, NILGA. Key issue discussed included the frequency of statutory inspections.

11.30am Officials left the meeting.

Agreed: To commence the preliminary view of the Bill at next week's meeting and to address any outstanding issues with Departmental officials, who will be on stand-by.

Members discussed a response from the Department regarding an order-making procedure under Clause 1 of the Bill.

Agreed: To address this issue with Departmental officials that are on stand-by at next week's meeting.

1.19pm The Chairperson adjourned the meeting.

[EXTRACT]

## **Thursday, 7 October 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)

Mr Paul Butler (Deputy Chairperson)

Mr Paul Frew



Mr Paul Givan  
Mr William Irwin  
Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mr Gerry McHugh  
Ms Claire McGill  
Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Clerk)  
Ms Tara McKee (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

Apologies: Mr Leslie Cree

10.35am The meeting began in public session.

## **5. Tourism (Amendment) Bill: Preliminary view**

Members discussed the Tourism (Amendment) Bill.

11.14am John Simms from DETI's Tourism Policy Branch joined the meeting to answer members' questions.

Members went through each clause of the Bill and posed questions to the Departmental official regarding the Bill.

11.20am Paul Frew left the meeting.

11.25am William Irwin left the meeting.

11.27am Jennifer McCann left the meeting.

Agreed: Content with the clauses in the Bill.

Agreed: To commence the formal clause-by-clause scrutiny of the Bill at next week's meeting.

11.34am John Simms left the meeting.

1.00pm The Chairperson adjourned the meeting.

[EXTRACT]

## **Thursday, 14 October 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin

Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mr Gerry McHugh  
Ms Claire McGill  
Mr Sean Neeson  
Mr Leslie Cree

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Sohui Yim (Assistant Clerk)  
Ms Tara McKee (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

10.40am The meeting began in public session.

## **8. Tourism (Amendment) Bill: Clause by Clause and Draft report**

The Committee formally scrutinised, clause-by-clause, The Tourism (Amendment) Bill and agreed the following:

### **Clause 1 – Frequency of statutory inspections**

Question put and agreed: That the Committee is content with Clause 1, as drafted.

### **Clause 2 – Statutory reviews of certified tourist establishments**

Question put and agreed: That the Committee referred Clause 2 for further consideration.

### **Clause 3 – Imposition of conditions on inspection other than statutory inspection**

Question put and agreed: That the Committee is content with Clause 3, as drafted.

### **Clause 4 – Financial assistance to provide or improve tourist accommodation**

Question put and agreed: That the Committee is content with Clause 4, as drafted.

### **Clause 5 – Appointment of chairman of Northern Ireland Tourist Board**

Question put and agreed: That the Committee is content with Clause 5, as drafted.

### **Clause 6 – Short title and commencement**

Question put and agreed: That the Committee is content with Clause 6, as drafted.

### **Schedule**

Question put and agreed: That the Committee is content with the Schedule, as drafted.

## **Long Title**

Question put and agreed: That the Committee is content with the long title, as drafted.

The Committee formally scrutinised each paragraph of the draft report.

Agreed: That the executive summary at paragraphs 1-12 stands part of the report.

Agreed: That the introduction at paragraphs 13-17 stands part of the report.

Agreed: That the summary of the draft Bill as presented to the Committee at Committee Stage at paragraphs 18-24 stands part of the report.

Agreed: That the summary of consideration during pre-legislative scrutiny of the Bill at paragraphs 25-32 stands part of the report.

Agreed: That the summary of consideration of the Bill at paragraphs 33-46 stands part of the report.

Agreed: That the clause-by-clause consideration of the Bill at paragraphs 47-49 stands part of the report.

Agreed: That the entire report with minutes of proceedings, minutes of evidence and written evidence will be considered after recess.

1.22pm The Chairperson adjourned the meeting.

[Extract]

## **Thursday, 4 November 2010 Room 30, Parliament Buildings**

Present: Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin  
Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mr Gerry McHugh  
Ms Claire McGill  
Mr Sean Neeson

In Attendance: Mr Jim McManus (Assembly Clerk)  
Ms Ashleigh Mitford (Assistant Clerk)  
Ms Pauline Devlin (Clerical Supervisor)  
Ms Michelle McDowell (Clerical Officer)

Apologies: Mr Leslie Cree

10.11am The meeting began in public session.

## **10. Tourism Bill: Final Report**

The Committee formally scrutinised each appendix of the final Bill report.

Agreed: That the following papers should be appended to the Committee's report:

Minutes of proceedings

Minutes of evidence (Hansards)

Written submissions

Memoranda and papers from DETI

The Assembly Research Paper

List of witnesses

Agreed: Content that the draft Hansard from the 14 October meeting be included in the report as the final version.

Agreed: Chair to approve an extract from today's minutes which reflect the read-through of the Report.

Agreed: To lay to report in its entirety in the Assembly Business Office after today's meeting.

Agreed: To order 50 reports with a CD ROM and 30 full reports for printing.

1.15pm The Chairperson adjourned the meeting.

[Extract]

## **Appendix 2**

### **Minutes of Evidence**

**16 September 2010**

Members present for all or part of the proceedings:

Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Leslie Cree  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin  
Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mrs Claire McGill  
Mr Gerry McHugh

Witnesses:

Ms Lorraine Fleming  
Mr John Simms      Department of Enterprise, Trade and Investment

Ms Caroline Adams      Northern Ireland  
Tourist Board

1. The Chairperson (Mr A Maginness): Briefing the Committee will be Ms Lorraine Fleming and Mr John Simms from the tourism policy branch of the Department of Enterprise, Trade and Investment (DETI) and Ms Caroline Adams from the Northern Ireland Tourist Board (NITB). You are all very welcome, and I look forward to your contribution.

2. Ms Lorraine Fleming (Department of Enterprise, Trade and Investment): I will kick off by giving you some background on the Tourism (Amendment) Bill. I will also address some of the comments that were received as part of the Committee's consultation.

3. I am the head of the tourism policy branch of DETI, where I work alongside my colleague John Simms. Caroline Adams is the quality and standards manager of the Northern Ireland Tourist Board.

4. The Tourism (Amendment) Bill is intended to amend the Tourism (Northern Ireland) Order 1992, which provides the Northern Ireland Tourist Board with powers to encourage the development of tourism in Northern Ireland. The three main amendments that are proposed in the Bill are to change the frequency of the statutory inspections of tourism accommodation, which we refer to throughout as "certification"; to change the mechanism for appointing the chairperson of the Tourist Board; and to make provision for the potential transfer of tourist accommodation grant to the Northern Ireland Tourist Board.

5. The main amendment is the change in the frequency of certification inspections. By way of background information, Northern Ireland is unique in the UK in having a statutory certification regime for tourism accommodation. In practice, certification is a guarantee of a minimum standard of accommodation for those coming to stay here; it reassures those visitors that the accommodation has been inspected and approved by the Tourist Board. If they are disappointed with the standards or have any complaints, they can complain directly to the board, and the board has powers to intervene. The board takes any such complaints seriously because obviously it has a bearing on the quality of the visitor experience in Northern Ireland. It will look into any complaint and take action as appropriate. A tourist in England, Scotland or Wales does not have similar redress.

6. The mandatory certification system is fully supported across the tourist accommodation sector, and we found that throughout the consultations. It is complemented by a voluntary classification scheme, which members will have heard referred to as stars. That relates to the quality of the accommodation, and we are not dealing with that in the Bill. We are dealing with the statutory certification, which is the minimum standard of accommodation.

7. Under the current legislation the Tourist Board is required to carry out an annual statutory inspection of every hotel, guest house, B&B, self-catering enterprise and hostel. Those inspections focus primarily on the physical attributes of the establishment such as size and number of rooms, catering facilities and so on. In most cases, those physical features change very little year on year. Therefore, in consultation with the industry, DETI and the Tourist Board concluded that it would be appropriate to move away from the current system of annual statutory inspection in favour of a statutory inspection once every four years, to reduce the burden on proprietors and on the board.

8. It is certainly not our intention that establishments should be left to their own devices during that period. The Bill requires the proprietors to complete an annual self-review and provide that statement to the Tourist Board, which will allow the Tourist Board to operate as an arm's-length regulatory regime in between the statutory inspections every four years. It is also important to note that the board will retain its powers to carry out ad hoc inspections as required throughout that period — for example, if it receives a complaint.

9. As the Minister stated during the Second Stage debate, we believe that the reduction in frequency is fully justified. It does not risk a dropping-off in standard and is a sensible move to reduce the regulatory burden on the accommodation providers as well as having the welcome result of reducing the overall fees that will apply.

10. The second amendment deals with the appointment of the chairperson of the Tourist Board. At the moment, the legislation requires that the chairperson be appointed from among board members. Therefore, board members are appointed and the Minister then selects the chairperson. It means that we cannot directly advertise for a chairperson for the Tourist Board. The Bill allows us to amend that and directly recruit a chairperson to the Tourist Board by means of external competition. That is really an updating exercise to bring it into line with best practice as set out by the Commissioner for Public Appointments.

11. The final change to the Bill relates to which part of the DETI family looks after the grant assisting tourist accommodation. That came about as a result of the independent review of economic policy (IREP), which made the recommendation that Invest NI should transfer its budgets relating to tourist accommodation back to DETI to be redistributed to a more appropriate body. As the Minister emphasised during the Second Stage debate, it is by no means a criticism of Invest NI that we are looking at that recommendation. Rather, IREP suggested that assisting tourist accommodation, or grants to tourist accommodation, was misaligned with Invest NI's overall mission, while other bodies in the DETI family had the specific objective of supporting the tourism sector.

12. At this stage, we are taking the opportunity to use the Bill to make provision for the possible transfer of responsibility for tourist accommodation grants from Invest Northern Ireland to the Tourist Board. The Minister wishes to consider the matter more fully before moving to make that decision, and we are in discussions with Invest Northern Ireland and the Tourist Board about how best to take that forward. The amendment provides for the transfer to be implemented by commencement Order at a later date.

13. Mr Butler: I see some of the responses about this four-year period from councils and the Local Government Association (NILGA). You are right about reducing administration and bureaucracy around it. It is like self-regulation and self-assessment every year. Is there a concern that four years is perhaps too long a period? Perhaps that will be an improvement, but there are obviously some concerns in local councils, which have an input into tourism. Moyle District Council said that four years is too big a gap. We are trying to improve tourism, and it has improved.

14. Mr John Simms (Department of Enterprise, Trade and Investment): There are a couple of safeguards. First, last time around the Committee very helpfully suggested including in the Bill the ability to change the frequency by subordinate legislation. That is included in the Bill. If we find, going forward, that four years is too far apart — although we do not think that it is — we can amend that. Likewise, if we wanted to stretch it further, we have the ability to do that. To do the sums: every year, 25% of premises will receive an inspection. The Tourist Board has a voluntary classification scheme, which includes quality advice and the star grading, and we hope that at least 50% of premises will take that up. Therefore, the Tourist Board will still see those premises anyway. That means that only a small number of premises will not see the Tourist

Board on a statutory basis every year, but the Tourist Board will retain the ability to act on complaints. Effectively, we see it as giving the Tourist Board the ability to focus in on problem premises. Although it does that at the minute, the Bill gives it more of an opportunity to do so.

15. The Chairperson: So the ability to change the time period will be included in subordinate legislation and there will be reviews to look at how the legislation is being implemented? If problems are identified, the subordinate legislation can be changed to provide for a shorter time frame?

16. Ms Caroline Adams (Northern Ireland Tourist Board): We already react immediately to negative feedback. If we get complaints through the tourist information centres or phone calls, we investigate every one and go back to the person who lodged the complaint with us to try to help the industry operator to improve. We monitor online user-generated websites such as TripAdvisor, which are useful tools for us to check constantly on how the industry is performing. We see it as continuing a strong relationship with the industry.

17. The sector is a small but growing one. Therefore, we do not wish to abdicate responsibility. However, we feel that the regulation, by the number of prosecutions that we have brought forward, does not require a continual, annual insistence that we go out and inspect premises and, therefore, have to charge for that inspection. We feel that we have a good balance going forward.

18. Mr Simms: The in-year review will give the Tourist Board the opportunity to keep track of people. It is not going to be a complete self-assessment. We are not asking people to go round their premises and do a tick-box. We are asking that they provide some basic information as to whether they are continuing to provide tourist accommodation and whether there have been any changes to the property in the past year. The Tourist Board can use that information on a risk basis. For example, if five or 10 bedrooms have been added, it may want to go and have a look at the premises. That is another way in which we can keep track.

19. Mrs McGill: I was not here for the earlier discussions on the Bill, so I am probably not as well informed as others. Nevertheless, the Deputy Chairperson, Paul Butler, raised the point about the frequency of inspections. Some of the comments from councils suggest that they are not entirely happy with the direction in which the Department might go on this, but I have heard what John and the Chairperson have said in relation to secondary legislation. In your own response, how can you be sure about this point:

"A key rationale for changing the frequency of inspections is that in most cases there can be little significant change in a tourist accommodation establishment from year to year."

20. How can you be so confident about making that point? You also said that:

"The proposed reduction in the frequency of inspections is fully justified and does not risk any dropping of standards in tourist accommodation in Northern Ireland."

21. How can you be so absolutely confident about that?

22. Mr Simms: That is a very fair question. The regulations by which we administer certification are very much infrastructure based. They are based on the physical attributes of premises, that is, the number of rooms, what is in those rooms, and checks that fire and health and safety regulations are in place. It is not so much the quality angle. It is about the bricks and mortar and the equipment and furniture that are inside the premises. We have found that, over time, that might not change that much. You will maybe come at it from the quality angle, which is the star

grading, but the absolute minimum that we require of people — the physical attributes — does not tend to change that much year on year.

23. Mrs McGill: In relation to the transfer of funding from Invest NI to NITB, Omagh District Council and Strabane District Council, to whom I spoke this morning, accept that it is helpful if there is some coherence in the funding mechanism and the approach of those who deal with the funding and if it is all in one place, which is potentially now NITB. However, Omagh District Council was concerned that the funding will go to the signature projects, and there is a concern in Tyrone that the funding will not go to places like Strabane and Omagh.

24. An officer in Strabane District Council, which is in my constituency, said that she would be content for the funding to go to NITB provided that there was an equitable distribution across the areas. That is what everyone in the west is looking for.

25. Ms Fleming: Any assessment of new accommodation grant would be based on existing supply and market demand. The usual monetary and non-monetary criteria would be applied to those projects. The new tourism strategy, while endorsing the signature projects and hopefully bringing those to fruition in the next few years, also sets out a plan to move beyond that to the nine key destinations across Northern Ireland, which broadens out the whole process in respect of developing the destinations more broadly to include Fermanagh, the Sperrins, Derry and Lough Neagh. Hopefully, that might allay some concern around the previous concentration on signature project areas.

26. Mr Givan: How many people are on the current board of the NITB?

27. Mr Simms: Nine, including the chairperson.

28. Mr Givan: The Bill will allow up to nine members plus the chairperson. I am always keen to see the numbers of people on such boards driven down as low as possible. Can you pass that on? I will speak to the Minister when it comes to the appointment of this new body. On all agencies of this type we need to have as lean and efficient board structures as possible. I question the need for a board with 10 individuals on it. Exactly what benefit is there in having so many board members? My experience is that very little challenge function is exercised by board members — that is usually left to the Department and its officials, which should be expected. With devolution, there is not the same necessity to have so many people on so many boards.

29. This type of board would be particularly attractive to some individuals, given its nature and the pleasant travel opportunities that may exist. I want a board that is as lean and efficient as possible. That is something that the Committee may want to take forward when we look at the Bill in more detail.

30. Dr McDonnell: Would you like to be nominated? Is that a bid for a position? [Laughter.]

31. Mr Givan: I do not think that MLAs can get on to the board.

32. The Chairperson: Mr Givan's point is well made.

33. Ms J McCann: Sorry for missing your presentation; I had other things to do. I want to ask about the provision of financial assistance to tourist accommodation. Several years ago when you came before the Committee, we raised the issue of west Belfast having one of the biggest festivals in Europe — Féile an Phobail — every year. The local organisations and cultural groups are finding it difficult to get financial assistance from the Tourist Board for guest houses and B&Bs and things like that. Has that improved? Do you have a better relationship now with some



of the local tourist groups? Are you more open to those types of facilities and to putting financial provision into them?

34. Mr Simms: First, from the Invest NI point of view, there is a moratorium on tourist accommodation in the Belfast area.

35. Ms J McCann: I am talking specifically about west Belfast.

36. Mr Simms: Cases can be put to go past the moratorium if there is a proper business case. I can get you figures, but from talking to Invest NI, guest houses and B&Bs have not come forward that much for assistance. I am not sure about west Belfast in the past couple of years, but the sector as a whole has not come forward for assistance that much. We can check with Invest NI the amount of interest that there has been in the west Belfast area and refer that information to the Committee.

37. The Chairperson: Thank you for your presentation to the Committee.

## **30 September 2010**

Members present for all or part of the proceedings:

Mr Alban Maginness (Chairperson)  
Mr Leslie Cree  
Mr Paul Frew  
Mr William Irwin  
Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mrs Claire McGill  
Mr Sean Neeson

Witnesses:

Mr Jim Dillon  
Mr Peter Thompson Northern Ireland Local Government Association

38. The Chairperson (Mr A Maginness): Briefing the Committee today are Alderman Jim Dillon and Mr Peter Thompson. Alderman Dillon is a member of Lisburn City Council; Mr Thompson is the tourism manager for Coleraine Borough Council. Gentlemen, you are very welcome; we are pleased that the Northern Ireland Local Government Association (NILGA) has responded to our request for evidence on this matter. We look forward to hearing what you have to say about the Bill.

39. Alderman Jim Dillon (Northern Ireland Local Government Association): Thank you, Chairman and Committee members, for inviting NILGA to give evidence on the Tourism (Amendment) Bill. I am a councillor on Lisburn City Council, as most of you know, and I am an executive member of NILGA and of its economic development committee.

40. I would like to speak to several clauses and the key issues that stem from them for local government. Clause 1 is "Frequency of statutory inspections". NILGA supports the view that there should be a reduction in the frequency of Tourist Board inspections; visiting premises every second or third year would be more acceptable. However, four years is too long a period without a visit, as there is a danger of significant deterioration or alterations occurring in that

time without being addressed. Council inspections of relevant tourism premises will continue on a risk-assessment basis; for example, for food and health safety. In order to ensure that public health is protected, there may be potential for joined-up working in that regard: environmental health inspectors who inspect premises would look at them as the need for inspection arose. Of course, that would require further discussion with councils.

41. Clause 2 is "Statutory reviews of certified tourist establishments". NILGA supports that suggestion, with the Northern Ireland Tourist Board retaining the power to carry out ad-hoc inspections when required. That is necessary, because there is no room for complacency.

42. Clause 5 is "Appointment of chairman of Northern Ireland Tourist Board". We support the proposal to amend the legislation to permit the chairperson being appointed by external competitive measures, particularly as it is hoped that that will enhance public confidence in the appointment. We do not agree with somebody being appointed ad hoc. We are not saying that there is anything wrong with a person who is appointed ad hoc; however, that provision will give the public extra confidence in the appointment. Those are points that I wish to make. Peter may wish to make an additional point or two.

43. Mr Peter Thompson (Northern Ireland Local Government Association): As a provider of tourist information centres on the north coast, Coleraine Borough Council relies heavily on the fact that we do not make any recommendations about where people should stay. We provide people with information on what is available, and we rely on the quality standards set in place by the Tourist Board's annual inspection. I appreciate that extra demands are being placed on the board, particularly with the increase in the number of self-catering units that have sprung up. There has been an exponential increase in such units in our area; their number has grown significantly.

44. We are unhappy with the idea of a four-year inspection, although we appreciate that there will be an ability to carry out ad-hoc inspections. However, my understanding of those inspections is that they will be carried out only if there is a complaint or if something arises that the Tourist Board wants to investigate further. That is a very good idea. However, perhaps a good compromise would be for the board to notify the industry that it intends to carry out ad-hoc inspections on an appropriate number of establishments throughout any year. There would be no early warnings, and inspections would not be carried out only because a complaint was made. There would, therefore, always be the potential for an inspector to call, so establishments would have to ensure that they are always shipshape and that everything is in good order.

45. The Chairperson: You are saying that the ad-hoc system of inspection should not be the result of an individual complaint but that there should be planned ad-hoc inspections throughout the year so that people are kept on their toes and that standards do not slip.

46. It is important to reassure NILGA that there are powers in clause 1 to change the frequency of statutory inspections through subordinate legislation. Subordinate legislation, which is not part of the Bill but which will be brought into being, will provide the Department with a quick and easy method of changing the time frame from four years to perhaps two or three years. It might reassure NILGA to know that if the system is seen not to be working properly or if standards are suddenly discovered to be dropping, the Minister can use Assembly subordinate legislation to adjust the time limit quickly. That might reassure NILGA, as might Mr Thompson's point about having planned ad-hoc inspections on a wider basis rather than on an incidental basis.

47. Mr Dillon: There is no doubt that there is some assurance in that; it would ease the mind, as it were.

48. The Chairperson: Yes. However, you are making the point that four years is too long. None of us knows whether it is too long or too short; we will just have to see how it works out. However, the Committee is mindful of the points that you have made.

49. Mr Cree: Gentlemen, you said that you had no concern with the statutory review of certified tourist establishments in clause 2. Is that true? Are you happy with the wide-ranging nature of the clause?

50. Mr Dillon: As with the other point that the Chairman raised, we are happy at the moment; however, it depends how matters evolve. If one thing can be changed, so can another. Therefore, at the time of giving evidence, we are happy.

51. Dr McDonnell: Thank you for your comments. I do not want a make-work programme. Do some inspections have to be carried out more frequently than others? Surely, the inspection of self-catering accommodation every four years is reasonable as long as the premises have the same owner. Perhaps there is more intensive service demand in an hotel or guest house. Should we, therefore, differentiate between various establishments? I would like them to be inspected when they change hands. However, if a static, steady, responsible, reliable person runs self-catering apartments or a long-established and reputable guest house, are inspections necessary? Surely, we should concentrate on problems.

52. Mr Thompson: My understanding of clause 2 is that it allows for an inspection that has been triggered by a complaint or because someone has issued a notification that there may be a problem. You are right, Chairman, that we do not know how inspection every four years would work out.

53. Standards need to be high in self-catering accommodation, as it can get quite a bit of abuse; it may not be monitored weekly, and, over time, its quality can deteriorate. If that is not picked up by the Tourist Board, a four-year period may elapse during which the quality of an establishment can deteriorate significantly. However, since we cannot make recommendations, we cannot tell people not to use that accommodation. We could, therefore, be recommending an establishment that has deteriorated and where quality is not particularly high.

54. We appreciate that annual inspections would be difficult, time-consuming and heavy on resources. However, being able to tell an establishment that it is under notification, that we can inspect it at any time without an issue being notified to us, and that it may be inspected three times within four years if it happens to fall within that sample but that it might get inspected only once, would give us the comfort of knowing that the trade can be inspected more than once every four years. It would also keep the trade on its toes because establishments would know that they may be inspected more than once every four years without an issue having arisen or their being notified because of an issue with the quality of their property.

55. Mrs McGill: Six out of nine respondents believed that the four-year cycle is too long a gap between inspections, and NILGA was of that view. The body of opinion seems to be that four years is too long. I know, Chairman, that you said that that could be changed through subordinate legislation. What would be the time frame for that?

56. How much time would be needed for a trial period? I have no idea, but perhaps the Chairman does. The Department is absolutely confident that there will be no reduction in service and standards even if inspections were carried out only every four years. On what does the Department base that confidence? There is also the question of fees; it is important not to place an extra burden on those who have to pay for or manage inspections.

57. Mr Thompson: My understanding is that there is to be a slight increase in the fee; however, one will pay only for the four-year fee rather than for the annual inspection.

58. The Chairperson: The annual inspection is paid for by the —

59. Mr Thompson: By the establishment.

60. The Chairperson: Is that burdensome?

61. Mr Thompson: Yes; it is a financial burden. A four-year inspection would reduce that burden.

62. The Chairperson: Of course. Mrs McGill makes an interesting point: how would the Department — although I realise that the witnesses from NILGA are not in a position to answer that — determine whether four-year inspections were working? It would need to review them. Is that NILGA's view?

63. Mr Dillon: Yes; the four-year period would have to be kept under review. Confidence in our tourism industry is paramount. Tourism is one of our biggest — if not the biggest — industries; it brings in considerable revenue each year; therefore we must have absolute confidence in it. Fortunately, such confidence exists; however, we must do nothing that would lower standards in the tourism industry and so reduce confidence.

64. Mr Frew: Thank you for your helpful presentation. Of all the provisions in the Bill, the four-year inspection seems to be raising the most hares. I agree that an annual inspection is too much; however, I am not convinced that four years is the right solution. People seem to justify the four-year gap by saying that if someone complains, there will be an inspection. However, by the time a complaint has been made, it is already too late. Ideally, there should be no complaints about our tourism industry, although I realise that that is not possible.

65. We should not go straight into a four-year cycle; there will have to be a balancing out over the four years. Do you agree?

66. Mr Thompson: That is an option that I had not considered; phasing in would certainly be a good way of testing it to see how it develops.

67. Mr Frew: Would it be confusing to go from a one- to a two- and then a three-year period and eventually get to four years? I do not know how that would work in legislation.

68. Mr Thompson: I am not sure how the Tourist Board would administer that, but more regular inspections would reduce the danger of things going drastically wrong with the quality of accommodation in the sector.

69. Ms J McCann: You said that you agreed that the appointment of the chairperson of the Tourist Board should be open to external competition. Should the rest of the board be appointed in that way?

70. Mr Dillon: We are not speaking about the board; we are speaking about the chairman. Transparency is important, and if the rest of the board was appointed in that way, we would have no objections. It would probably be a positive way forward, but we are speaking about the chairman at the moment.

71. Ms J McCann: During the consultation did anyone suggest that the rest of the board be appointed in the same way?

72. Mr Dillon: Are you saying that people brought the point up?

73. Ms J McCann: I am asking whether they did. Did NILGA bring it up, for example?

74. Mr Dillon: Yes. It would be a positive way forward.

75. Mr Irwin: Thank you for your presentation. If inspections are carried out every four years, establishments could grow lax in the knowledge that they will not be inspected again for four years. The possibility of an inspection can keep people on their toes. As a farmer, I know what it is like. If farmers got an inspection and know that they will not get another one for four years, they could become lax. It is important that the option of inspections be there. I am not sure whether provision could be made in that regard. You said that someone could be inspected three times in four years, but there needs to be some equity.

76. Mr Thompson: That is the worst-case scenario. That person would have to be very unlucky.

77. Mr Irwin: It is difficult to ascertain whether provision could be built in to create fairness in the system. We do not want some people to be tortured by inspections and others not. It is important that the system be fair and equitable.

78. Mr Dillon: I do not think that people would be tortured by inspections; the inspectors usually take a sensible view and common sense prevails. The system works. If there is nothing wrong with an establishment, the inspectors will not rush back to inspect it; however, if there is something wrong, perhaps inspections could be considered as torture.

79. Mrs McGill: How long would it take to make changes through subordinate legislation?

80. The Chairperson: Assuming the subordinate legislation is in place, the Minister could make a change very quickly.

81. Mrs McGill: Would that be days, weeks or months?

82. Mr Cree: Nothing happens in days.

83. Mrs McGill: This could be a first. [Laughter.]

84. The Chairperson: I do not imagine that it will be as urgent as that, but it could happen in a matter of weeks.

85. Mrs McGill: Fifty-two?

86. The Chairperson: I assume that it would come before the Committee and that we would agree to it. I do not think that there would be any problems in effecting a relatively quick change.

87. I have just been informed that the Tourist Board is appointed through open competition at the moment, so I do not think that there will be any change to that. I thank the Committee Clerk for that helpful information.

88. Mr Dillon: Thank you for receiving us and listening to our views.

89. The Chairperson: Thank you for coming. It is very useful to hear NILGA's views. It is good to have you here rather than simply receiving a written briefing. It is good to receive oral evidence so that we can understand your thinking fully. Thank you very much indeed.

## 7 October 2010

Members present for all or part of the proceedings:

Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin  
Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mr Gerry McHugh  
Mr Sean Neeson

Witnesses:

Mr John Simms Department of Enterprise, Trade and Investment

90. The Chairperson (Mr A Maginness): We will now have the preliminary view of the Tourism (Amendment) Bill. This item will be recorded by Hansard. We have a letter from the Department giving its view on subordinate legislation making powers under clause 1.

91. I remind members that this is the initial consideration of clauses; it is the Committee's opportunity to raise issues or concerns on matters arising from the consultation. John Simms from DETI's tourism policy unit is on standby to address queries as they arise.

92. We had a good discussion about the issue the last time. I am not certain that there are any live issues, but if colleagues want to raise them, now is their opportunity. If everyone is content, I will invite the Committee Clerk to take the Committee through the clauses and the issues.

93. The Committee Clerk: Clause 1 relates to frequency of statutory inspections. It introduces statutory inspection of a tourist accommodation establishment every four years, requires a subsequent statutory inspection to take place on the forty-eighth calendar month following the date of issue of a certificate certifying completion of a satisfactory inspection, and enables the Department to substitute any other period for the four-year period.

94. Several district councils and other organisations believed that statutory inspection every four years is too long. At last week's meeting, the Northern Ireland Local Government Association (NILGA) provided oral evidence to the Committee on behalf of district councils. They agreed that annual inspections are too frequent but felt that four years between inspections is too long. However, the Chairperson assured them that the period could be changed quickly under subordinate legislation. However, they felt that the four-year period should be kept under review.

95. The Department responded that tourist accommodation providers will be required to provide annual self-registration statements. The Northern Ireland Tourist Board (NITB) will also be able to carry out ad-hoc inspections as required. The Department believes that the combination of statutory inspections, ad-hoc inspections and annual self-registration will prove an effective

means of ensuring that all tourist accommodation complies with a minimum standard while easing the regulation on tourist accommodation businesses.

96. Mrs McGill: I want to back to the points that were raised last week about the four-year regime and subordinate legislation. We touched on the time period, but it is important not to burden those who work in tourism; equally, it is important that standards be maintained. Will they be maintained when the four-year cycle, self-regulation and ad-hoc inspections are introduced? I do not think that the financial burden associated with the inspections was quantified last week.

97. The Chairperson: Mr Simms, you are welcome to the Committee and thank you for your attendance. Mrs McGill asked about the burden placed on the operator of a premises that is being inspected. What would the cost be to the owner?

98. Mr John Simms (Department of Enterprise, Trade and Investment): There is a variable cost; it is different for each category. The annual cost for a 30-bedroom hotel is £480, but if the system changes to allow for inspections to be held every four years, the owner will be paying £600. There will be a 70% saving through the change.

99. The Chairperson: That is an idea of the amount of money that people are paying, Mrs McGill.

100. Mr Butler: How much is it at the lower end? How much will the owner of a bed and breakfast, for instance, have to pay?

101. Mr Simms: Each category is different. Bed and breakfasts, hotels and guesthouses will be charged £20 a room; self-catering accommodation will be charged at £40.00 a unit; and a hostel will be charged £2 a bed space. There is an upper ceiling on fees. The maximum that a hotel will be charged will be £2,000.

102. Dr McDonnell: You say that self-catering is £40 a unit. Does that mean that if I have a six-bedroom house, I will be charged £40?

103. Mr Simms: Yes.

104. The Chairperson: Those are significant costs for small operators, in particular. That is the answer.

105. Mr McHugh: I have found that there are differences in hotel quality and star-ratings in these islands, let alone in Europe; I do not know whether that goes for bed and breakfasts, but I am sure that it does. The bedrooms of an hotel may be four-star quality, and an hotel may be described as such, but the aisles and other areas may be only two-star quality. There are vast differences, even now, and these islands are tourism-orientated. How can we get beyond that? This seems to make worse a situation, which, in some instances, is not great. If you buy a brand of car, you know what you are getting; however, when you look at a four-star hotel and arrive at it only to find that it is two-star quality, it is disappointing. How will the legislation improve that?

106. The Chairperson: Mr Simms, there can be variation in one hotel or premises. Is that taken into consideration?

107. Mr Simms: At the minute, there is a two-tier system. The Bill deals with the regulation of tourist accommodation, so it is even below that level. This deals with the basics. Its aim is to ensure that self-catering accommodation, for example, will have enough furniture to cater for the number of people sleeping in the accommodation and that it will be clean and properly

supervised. The star-grading system is a voluntary scheme, and the Tourist Board is doing a major revision to bring it into line with the GB scheme. That is the quality side, and it is being looked at fundamentally. The Bill is almost a level down from that; it is the regulation side. I suppose that it is the MOT for the accommodation sector, whereas the star-grading system is voluntary and extra. The board is doing a major review and is rolling it out to the industry. Hopefully, that will address the issues that you mentioned.

108. The Chairperson: You referred to it as an MOT. That is a good analogy. Can councils carry out health inspections?

109. Mr Simms: They can, and there is a whole raft of things that we tend not to see. The board works closely with councils so, for example, the Bill deals with the basic MOT, and the board will ask those offering accommodation whether they have planning and food hygiene policies in place. The board expects to see those and will not grant certificates until it is content. The board also acts as councils' eyes and ears when it is out and about. If it sees a breach of planning regulations or sees food hygiene issues, the order permits it to raise that with the relevant authority.

110. At last week's meeting, Alderman Dillon from NILGA said that he would like to see a closer relationship between councils and the board on food hygiene inspections. I mentioned that to the board, and it would be delighted with that because, in the same way that it acts as the eyes and ears of other agencies, councils can help it when they are out and about doing their inspections, especially once the frequency changes.

111. Ms J McCann: You mentioned the cost to the owners of the premises, but is there a comparable cost to the Tourist Board for carrying out statutory inspections every year as opposed to every four years and the costs to the Department? How much do inspections cost the Tourist Board each year?

112. Mr Simms: Last year, we did a major review of costs, because we are required to recover the full cost of the service. The entire certification regime costs about £230,000. There are four inspectors, as well as administrative and managerial support; the cost is worked out on the basis of Treasury guidance, overheads and so on. A move to four-yearly inspection will mean that the cost is between £80,000 and £90,000, and that takes into account staff uplifts. There are four inspectors. It is not as straightforward as cutting that down to one inspector, because the board will not want to pare the number of staff back to the bone, but it wants to have enough staff to continue to deliver the service.

113. There are two aspects to the cost of inspections. Statutory inspections are when the board must inspect a premises every year; the legislation will make it very four years. However, there is no charge for ad-hoc inspections, so there are no financial implications for proprietors. How much the board wants to keep an eye on premises is its decision at its discretion; therefore it will carry that overhead. About £90,000 to regulate Northern Ireland tourist accommodation is not a huge amount of money.

114. Mr Givan: Can you assure me that the proposal to hold inspections every four years does not prevent the Tourist Board from investigating complaints when they arise? If someone were to say that they did not believe that a bed and breakfast was at a certain standard, could the Tourist Board go in and check it?

115. Mr Simms: It can. The Tourism Order permits the Tourist Board to carry out non-statutory inspections at any time, and the board has always operated on that basis. The Tourist Board has introduced a new database that gives it an efficient way of keeping track of premises. If a premises had not been inspected for a couple of years, the board could run a report to show



that an inspector was in the area and ask them to call into premises x, y or z. It does not have to do a full inspection; it can be a visit to ask the premises whether it is aware of new changes on the board or the classification scheme. A complaint can spark an inspection, but the Tourist Board can do much more than that, and the Tourism Order gives it that power.

116. Mr Givan: A move to having inspections every four years will reduce the regulation on the tourism industry and the cost across the board. Is that correct?

117. Mr Simms: Yes.

118. Mr Givan: Therefore from the bed and breakfast to the hotel, costs of regulation are reduced.

119. Mr Simms: It reduces costs for everyone.

120. Mr Givan: The Tourist Board can still carry out checks.

121. Mr Simms: It can, and, in fact, we will introduce an in-year review. There will be a statutory inspection in the first year and the fourth year, but proprietors will be required to provide an annual review. We do not expect a whole self-assessment; it will be a mechanism to find out whether much has changed in the interim. Perhaps a few extra bedrooms have been added that may need to be looked at. If somebody sells their tourist accommodation, they are required to advise the board who the new owner is. The board may decide to have a look and advise the new owner of what is expected of them.

122. Mr Givan: Does the tourist industry welcome that proposal?

123. Mr Simms: Yes.

124. Dr McDonnell: Is there not an imperative to inspect with a change of ownership?

125. Mr Simms: There could be. I suppose that it depends on the premises: if it is a long-running hotel with excellent credentials, it could be argued that an inspection would not be necessary; however, it is different for self-catering establishments, some bed and breakfasts and hostels. The board does not need to do that much because of the annual inspections. Once we move to four-year inspections, we will probably find that the board will use that opportunity.

126. The Chairperson: The power of ad-hoc inspection is extant. It is not something that is being added to —

127. Mr Simms: It is in the order. The Tourist Board uses that power quite extensively.

128. Mrs McGill: I raised the issue of subordinate legislation if the Bill were not to work. What is the time frame for that?

129. The Chairperson: Will you advise the Committee about the subordinate legislation? It will give the Department power to reduce the four-year period if it wanted to.

130. Mr Simms: It was the Committee's helpful suggestion that that be in the Bill. It will be done by affirmative resolution. If we decide that we want to move back to three-year inspections, it could be done within a couple of months. The Committee would scrutinise the legislation, it would be debated in the Assembly and then enacted. We have put the regulation of accommodation regime on the DETI high-level evaluation programme for 2013. We will keep an

eye on the number of complaints to make sure that there is not a negative impact on what we are doing. The major review in three years' time will look at what has happened; it will be a fundamental root-and-branch review of how things are working and whether anything needs to be tweaked or improved.

131. The Committee Clerk: Clause 2 concerns statutory reviews of certified tourist establishments. It introduces provision for statutory reviews between statutory inspections at intervals to be decided by NITB. NILGA representatives told the Committee in oral evidence that the organisation supports the view that NITB should retain the power to carry out ad-hoc inspections of tourist establishments when required. Representatives felt that the legislation should provide for establishments being inspected without an issue having been identified or the establishment having been notified. The Department responded that ad-hoc inspections are already provided for in the Tourism Order 1992 under article 16, which states that:

"The Board may, in addition to any statutory inspection, cause a certified tourist establishment to be inspected by an officer of the Board at any time."

The Department further stated, in writing and today in oral evidence, that ad-hoc inspections do not incur a fee, as they are carried out at the discretion of NITB.

132. The Chairperson: Are members content?

Members indicated assent.

133. The Committee Clerk: Clause 3 concerns the imposition of conditions on inspection other than statutory inspection. It enables an officer of NITB to amend or add to the conditions of a certificate on an inspection other than a statutory inspection. No issues or concerns were raised during consultation in relation to clause 3.

134. The Chairperson: Are members content?

Members indicated assent.

135. The Committee Clerk: Clause 4 concerns financial assistance to provide or improve tourist accommodation. It permits NITB to grant-assist tourist accommodation and provides for transfer of certain assets and liabilities from Invest NI to NITB. No issues were raised that relate directly to clause 4. However, one respondent expressed concern that NITB's focus on the development of signature projects may lead to a bias in the allocation of grants. The Department responded that the provision arose from a recommendation from the independent review of economic policy that the Invest NI budget relating to tourist accommodation be transferred to a more appropriate body. The Department also said that the allocation of grants to potential accommodation projects is based on market demand, need and other monetary and non-monetary criteria.

136. Mrs McGill: Omagh District Council had some difficulties with that in west Tyrone. I read the Department's response and I welcome that the perceived bias referred to by Omagh District Council in relation to signature projects and their funding does not exist and that measures will be put in place to deal with that. Are we convinced that funding will not go to what are perceived as the usual places but will go to areas that have not benefited as they might have?

137. The Chairperson: It is a transfer from Invest Northern Ireland to the Tourist Board. If Invest Northern Ireland were to get it wrong, the Tourist Board could perhaps remedy that. In any event, this recommendation springs from the Barnett report and was generally welcomed by

most people. It seems logical and reasonable that the Tourist Board should have that grant responsibility.

138. Mr Neeson: Grant aid for building new hotels no longer exists in greater Belfast. Is that board policy throughout Northern Ireland?

139. Mr Simms: At present, Invest NI delivers on that. The moratorium to which you refer applies to a 10-mile radius from Belfast city centre. Invest NI will consider grants for hotels located in areas of social need in Belfast; outside Belfast, it can assist new hotels.

140. Mr Neeson: Earlier, the Committee discussed west Belfast. Bearing in mind its deprivation level, might a newbuild hotel there qualify for grant aid?

141. Mr Simms: It could, and, in the past couple of years, Invest NI has dealt with a couple of hotel proposals in west Belfast that have not come to fruition. That is where the area of social need criteria would come in.

142. The Chairperson: We move on to clause 5.

143. The Committee Clerk: Clause 5 provides for the appointment of chairman of Northern Ireland Tourist Board. The clause removes the requirement for the Minister to appoint the chairman of NITB from board members. No issues or concerns about clause 5 were raised during consultation.

144. The Chairperson: Are members content with clause 5?

Members indicated assent.

145. The Chairperson: We now consider clause 6.

146. The Committee Clerk: Clause 6 concerns the Bill's short title and commencement, which allows the Department to bring the clauses into operation on a day or days to be appointed by commencement. No issues or concerns about clause 6 were raised during consultation.

147. The Chairperson: Are members content with clause 6?

Members indicated assent.

148. The Chairperson: We come to the schedule.

149. The Committee Clerk: The schedule provides for the transfer to the Tourist Board of certain assets and liabilities of Invest Northern Ireland. No issues or concerns were raised about the schedule during consultation.

150. The Chairperson: Are members content with the schedule?

Members indicated assent.

151. The Chairperson: Are members content to commence formal clause-by-clause scrutiny at next week's meeting?

Members indicated assent.

152. The Chairperson: Thank you, Mr Simms, for attending the Committee; your input has been very helpful.

## 14 October 2010

Members present for all or part of the proceedings:

Mr Alban Maginness (Chairperson)  
Mr Paul Butler (Deputy Chairperson)  
Mr Leslie Cree  
Mr Paul Frew  
Mr Paul Givan  
Mr William Irwin  
Ms Jennifer McCann  
Dr Alasdair McDonnell  
Mr Gerry McHugh

153. The Chairperson (Mr A Maginness): The Committee now commences its clause-by-clause scrutiny of the Tourism (Amendment) Bill and the first draft of its report. No issues arose at last week's preliminary scrutiny of the Bill. I will seek the Committee's position on each of the six clauses and the schedule. I remind members that they may give only their view of the clauses as drafted. To date, no amendments have been proposed by the Department or the Committee.

Clauses 1 to 6 agreed to.

Schedule agreed to.

Long title agreed to.

154. The Chairperson: Are members content to work through the Committee's draft report on the Bill paragraph-by-paragraph indicating agreement or raising any suggested amendments? I remind members that we have been through the issues in previous sessions.

Members indicated assent.

155. The Chairperson: Are members content that the executive summary, as presented in paragraphs 1 to 12, stand part of the report?

Members indicated assent.

156. The Chairperson: Are members content that the introduction, as presented in paragraphs 13 to 17, stand part of the report?

Members indicated assent.

157. The Chairperson: Are members content that the summary of the Tourism (Amendment) Bill, as presented in paragraphs 18 to 24, stand part of the report?

Members indicated assent.

158. The Chairperson: Are members content that the summary of consideration during pre-legislative scrutiny, as presented in paragraphs 25 to 32, stand part of the report?

Members indicated assent.

159. The Chairperson: Are members content that the summary of consideration, as presented in paragraphs 33 to 46, stand part of the report?

Members indicated assent.

160. The Chairperson: Are members content that the clause-by-clause consideration of the Bill, as presented in paragraphs 47 to 49, stand part of the report?

Members indicated assent.

161. The Chairperson: I advise members that the Committee will consider the entire report, the minutes of proceedings, the minutes of evidence and written evidence at its meeting on 4 November 2010. That concludes that aspect of our business.

## **Appendix 3**

### **Written Submissions Relating to the Report**

#### **Response from Ards Borough Council re Tourism Bill**

July 2010

Response to Committee Stage of the Tourism (Amendment) Bill

Following original response to The Tourism (NI) Order Amendment Bill 2010 in September 2009 by Ards Borough Council, please find further response as follows.

#### **1. Frequency of statutory inspections**

Ards Borough Council supports the view that there should be a reduction in how often the premises should be visited. However it is of the opinion that visiting premises every second or third year is more acceptable. Four years is an extensive period and significant deterioration or alteration may occur within this timeframe without being addressed.

#### **2. Statutory reviews of certified tourist establishments**

Ards Borough Council supports this suggestion, with the NITB still retaining the power to carry out ad hoc inspections when required.

#### **5. Appointment of chairman of Northern Ireland Tourist Board**

Ards Borough Council supports the legislation being amended to permit the Chair to be appointed via external competition measures. As indicated it is hoped that this would enhance the public's confidence in the appointment.

## **Response from Causeway Coast and Glens Tourism Partnership**

From: Causeway Coast and Antrim Glens [mailto:mail@causewaycoastandglens.com]  
Sent: 10 August 2010 10:47  
To: +Comm. ETI Public Email  
Cc: dw@causewaycoastandglens.com  
Subject: Committee Stage of the Tourism (Amendment) Bill

FAO Jim McManus  
Committee for Enterprise, Trade and Investment

### **Committee Stage of the Tourism (Amendment) Bill**

Dear Mr McManus

Causeway Coast and Glens Tourism Partnership have considered the draft Tourism (amendment) Bill and would express the view that statutory inspection of accommodation premises every four years is too large a gap. The quality of accommodation is key to the service offered to our visitors and statutory inspections of premises makes a very significant contribution to the maintenance of standards.

The Board have asked that DETI would consider statutory inspection of accommodation every two years as an alternative.

Yours Sincerely

Don Wilmont  
Manager

Causeway Coast and Glens Tourism  
11 Lodge Road  
Coleraine  
BT52 1LU

Tel: 028 7032 7720  
Fax: 028 7032 7719  
Web: [www.causewaycoastandglens.com](http://www.causewaycoastandglens.com)  
Email: [mail@causewaycoastandglens.com](mailto:mail@causewaycoastandglens.com)

## **Response from Coleraine Borough Council**

From: Moira Mann [Moira.Mann@colerainebc.gov.uk]  
Sent: 10 August 2010 14:51  
To: +Comm. ETI Public Email  
Subject: Tourism (Amendment) Bill

FAO J McManus  
Clerk - Committee for Enterprise, Trade and Investment

Dear Sir

I refer to your request for comment on the proposed Bill and would put forward one amendment on the frequency of statutory inspections of tourist accommodation – that is to carry out inspections every two years and not four years as follows.

## **Frequency of statutory inspections**

1. -(1) Article 13 of the Tourism (Northern Ireland) Order 1992 (NI 3) (certified tourist establishments to be inspected on at least one occasion in each year) is amended as follows.

(2) In paragraph (1)(a) for " in each year" substitute "in every period of 4 years". ( rec change to 2 years)

Yours faithfully

Moira Mann  
M Mann

Head of Development Services  
Coleraine Borough Council  
Cloonavin  
66 Portstewart Rd  
Coleraine BT52 1EY

## **Response from Craigavon Council re Tourism Bill**

From: Sandra Durand [mailto:Sandra.Durand@craigavon.gov.uk]  
Sent: 03 August 2010 12:57  
To: +Comm. ETI Public Email  
Subject: Tourism (Amendment) Bill

Dear Jim

Please see attached response from Craigavon Borough Council agreed at full Council last night; can you please acknowledge receipt

Regards

Sandra

## **Appendix 1**

### **Craigavon Borough Council's Response to the Tourism (Amendment) Bill**

Craigavon Borough Council welcomes the invitation by the Committee for Enterprise, Trade and Investment to submit views on the Tourism (Amendment) Bill. Council's response has been structured to address specific clauses of the Bill as requested.

The Bill contains 6 clauses as follows:

#### **Clause 1 – Frequency of Statutory Inspections**

Statement: This clause amends Article 13 of the Tourism Order to require the statutory inspection of a tourist accommodation establishment to take place every four years. It also requires a subsequent statutory inspection to take place in the 48th calendar month following the date of issue of a certificate. A certificate is awarded to a tourist establishment upon completion of a satisfactory statutory inspection. The clause also enables the Department to substitute any other period for the four year period. This latter change is subject to approval by the Assembly as it involves amending primary legislation.

Response: Council acknowledges that the proposed change should be less burdensome on the Northern Ireland Tourist Board (NITB) and accommodation providers both from an administrative and financial perspective but would urge caution with regard to maintaining quality standards across the accommodation stock. It may be more prudent to build in a mechanism that allows for random checking based on a 'mystery' shopper approach or take a more strategic view in line with the development of a property 'risk' register, where potentially borderline properties meeting minimum standards can be inspected more frequently, allowing for flexibility in the approach. Tourism is a growing industry in Northern Ireland with quality standards key to our success when competing with other European destinations. It may be 'hasty' to move entirely to a four year inspection system at this stage in the development cycle.

## **Clause 2 –Statutory reviews of certified tourist establishments**

Statement: This clause inserts a new Article 14A into the Tourism Order to provide for statutory reviews between statutory inspections. These statutory reviews are to be instigated by NITB, at intervals decided by NITB. This is of particular importance in the first four years of the new system as NITB will need to inspect establishments in each of the first four years so as to put the current stock of tourist establishments onto four different cycles of statutory inspections.

Article 15 of the Tourism Order currently provides for revocation of a certificate on a statutory inspection. Article 15(1) is amended to extend these provisions to apply equally to revocation on a statutory review.

The clause also inserts a new Article 17A to make provision for the revocation of a certificate if there is a failure to make the return when required to do so. It closely follows existing revocation procedures.

The remaining amendments in this clause apply Articles 18 (review) and 19 (appeal) of the Tourism Order to decisions to revoke under Article 17A. These provisions automatically apply to a decision to revoke under Article 15(1) as amended.

Response: Council supports this view but would suggest that a term beyond the four year period is considered

## **Clause 3 – Imposition of conditions on inspection other than statutory inspection**

Statement: This clause amends Article 16 of the Tourism Order and enables an officer of NITB to amend or add to the conditions of a certificate on an inspection other than a statutory inspection.

Response: Council supports this view allowing NITB the flexibility of approach to ensure minimum standards and quality assurance are maintained within the accommodation stock in Northern Ireland.



## **Clause 4 –Financial assistance to provide or improve tourist accommodation**

Statement: This clause permits NITB to grant assist tourist accommodation and provides for the transfer of certain assets and liabilities from Invest NI to NITB. As a consequence of this section 3(4) of the Industrial Development Act (Northern Ireland) 2002 (c. 1) is repealed.

Response: This approach was formally the structure within NITB before powers of grant assistance to tourist accommodation were transferred to Invest NI. Councils view is that the 'section' delivering grant aid to the accommodation sector should not be the key factor under consideration. The Department must continue to ensure that professionally qualified staff, suitable resources, 'joined-up' thinking, strategic direction and cross departmental communication are inherent in this approach. If this is the case, Council will support this approach.

## **Clause 5 –Appointment of chairman of Northern Ireland Tourist Board**

Statement: Schedule 1 to the Tourism Order provides that the Board of NITB shall consist of not more than 9 members and that the chairman of the Board shall be appointed by the Minister from among the Board members. This precludes the direct appointment of the chairman via external open competition. This clause amends Schedule 1 to the Tourism Order so that the Minister is no longer required to appoint the chairman from among the Board members.

Response: Council agrees with this approach as it is in line with other Public Appointments and legal advice provided to the Department

## **Clause 6 –Short title and commencement**

Statement: This clause allows the Department to bring the various clauses of the Bill into operation on a day or days to be appointed by commencement

Response: Council agrees with this statement

# **Response from Fermanagh District Council re Tourism Bill**



Brendan Haggerty  
B.Sc. F.C.A.  
Chief Executive



Leisure Tourism & Arts  
Townhall, Bessiskillen, Co. Fermanagh,  
Northern Ireland, BT74 7BA.  
Telephone: 028 6632 5050  
Telexphone: 028 6632 7969  
Fax: 028 6632 8991  
Email: [lt@fermanagh.gov.uk](mailto:lt@fermanagh.gov.uk)  
Website: [www.fermanagh.gov.uk](http://www.fermanagh.gov.uk)

Our Ref: RG/In/ESJuly

21 July 2010

Mr Jim McManus  
Northern Ireland Assembly  
Room 424, Parliament Buildings  
Stormont  
**BELFAST**  
BT4 3XX

Dear Mr McManus

re: **Tourism (Amendment) Bill**

Further to your recent letter the Council has considered the proposed Tourism (Amendment) Bill and supports the proposed policy objectives.

Yours sincerely

**ROBERT GIBSON**  
**Director of Leisure, Tourism and Arts**

Robert Gough P.L.C. (R.H. P110514-P111P)  
Director of Environmental Health  
Robert Gibson B.Sc.  
Director of Leisure, Tourism & Arts  
Brendan Haggerty B.Sc. F.C.A.  
Director of Finance & Information Technology  
Gerry Knox B.Sc.  
Director of Technical Services  
Dymphna Rice P.H.C.S. (D.H.M.)  
Director of Building Control

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## Response from Moyle District Council

### Consultation on Policy The Statutory Regulation of Tourist Accommodation in Northern Ireland

#### Changes proposed to the categories of Tourist Establishments

Moyle District Council have considered the above consultation document and we would like to agree with the inclusion of bunk house, campus accommodation and guest accommodation as statutory categories of tourist accommodation. We agree with the minimum criteria as detailed in

the document and would suggest camping barn as an appropriate description rather than Bunk House.

## **Changes proposed to the statutory inspection of Tourist Establishments**

Moyle District Council have considered the above consultation document and we would like express the view that statutory inspection of premises every four years is too big a gap. A system of inspection every two years or on change of ownership of an establishment would be preferable.

## **Response from NI Hotels Federation**

Northern Ireland Hotels Federation  
The McCune Building, 1 Shore Road, Belfast BT15 3PG  
Tel: 028 9077 6635 Fax: 028 9077 1899  
[www.nihf.co.uk](http://www.nihf.co.uk)

The Northern Ireland Hotels Federation (NIHF) is the representative trade body for the hotel and guesthouse sector. The Federation has worked closely with the Northern Ireland Tourist Board and the Department of Enterprise, Trade and Investment on this consultative process. In the main, the Federation is of the opinion that a framework of a more modern nature should govern tourist accommodation. The NIHF would also promote a reduced level of bureaucracy and therefore less cost for its members.

Whilst the Federation's primary objective is to improve and influence in line with member needs, as an organisation we are keen to see tourism reach its true potential for Northern Ireland. The downturn in the global economy and the current lack of consumer confidence has presented significant challenges for the sector. Revenues are considerably down and costs appear to be rising. The NIHF is keen to ensure that businesses are able to offer an attractive cost-effective product for all aspects of the tourism sector. The province's hospitality industry strives to reflect world-class international standards and has invested in excess of £500m over the last decade to ensure this objective. In order to maintain this standard the industry requires a broad business base including events, functions and overnight visitors.

The NIHF supports the introduction of the amendments to the Tourism Bill and feels that this process is long overdue. With regard to the specifics:

### **Product Differentiation**

The NIHF fully supports differentiation between accommodation products and is keen to promote a quality product in line with customer demand. The types of accommodation need to reflect consumer expectations and should be clearly defined.

### **Certification & Fees**

The Federation supports the changes in the certification process to a four-year inspection and self-assessment in the interim years. The members are keen to see costs and red tape reduced but not at the expense of quality.

The Federation is keen to see all types of tourist accommodation certified and inspected. The NIHF would like to see an equitable range of fees across all accommodation types. The new fee

structure needs to be reflective of the process involved. The fact that premises are to be inspected every four years is welcome but the level of inspection fees alluded to in the proposed fee structure appear to be very high. A cost of £20 per bedroom for inspection for what is primarily a tick box exercise to ensure that the fabric of the building meets a minimum criterion is unrealistic in the current economic climate.

There is also a significant disparity between the maximum fees being charged for hotels and for other accommodation categories. A fifty bedroom hotel would be charged £1000 for certification whereas a fifty bedroom property in any other category would pay a maximum of £200 even though the certification process would be similar in both cases.

If the fee is £10 for self-regulation in the interim years between inspections then it is difficult to see how a fee of up to £2000 could be justified.

The issue of fees if a hotel is inspected more than once over the four-year period also needs to be addressed. The NIHF understands that premises can be inspected by exception and there would need to be a clear outline of what is expected.

## **Appointment of Chair of Northern Ireland Tourist Board**

This role should be dealt with in an appropriate business manner. The role is an important one and should be advertised when a vacancy arises. The process should be governed as laid out in the consultation.

## **Statutory Categories of Tourist Establishments**

As stated above the NIHF feels that all types of tourist accommodation should be certified and that the criterion deployed should be in line with current consumer trends.

## **Modernising Statutory Minimum Criteria**

This is one of the most difficult areas to legislate on. The changes proposed in Annex D of the Order are reflective of the current market. They are in line with operational needs and offer a more workable framework.

## **General Commentary**

The Department of Enterprise, Trade and Investment has set out targets of £1 billion of spend for the tourism sector by 2020 with an increase in visitor numbers to 4.5m. There needs to be a cohesive approach to the industry in order to ensure we achieve these targets. The NIHF sees growth of spend as one of the major priorities for the next decade and is keen to work with Government to increase revenue from the sector.

As an organisation we feel that tourism has a lot to offer and that hotels have an integral role to play in its success. In order to maintain a world class standard of property, we need to ensure that business flourishes and that it is conducted on an even playing field. Hotels contribute over £7.6m in rates and support a payroll in excess of £90m. In order for hotels to remain profitable and continue to invest, a reduction in bureaucracy and the associated costs needs to be addressed.

The current economic challenges and downturn in business levels will necessitate an innovative approach for all those operating in the hospitality industry. We require a framework of legislation

that helps promote Northern Ireland as a tourism destination, is not cost prohibitive and allows us to grow as a high quality tourism product.

## **Response from NILGA re Tourism (Amendment) Bill**



**NILGA FINAL response to the  
Assembly ETI Committee Call for Evidence  
on the draft Tourism (Amendment) Bill  
11<sup>th</sup> August 2010**

The following is the NILGA response to the ETI Committee call for evidence. This paper has been drafted in liaison with the local government Development and Tourism Officers and was presented to the NILGA Executive Committee on 13<sup>th</sup> August 2010. .

**For further information or to discuss any of the issues highlighted, please contact Karen Smyth at the NILGA Offices:**

**Email: [k.smyth@nilga.org](mailto:k.smyth@nilga.org)**

**Tel: 028 9079 6972**

**INTRODUCTION**

NILGA, the Northern Ireland Local Government Association, is the representative body for district councils in Northern Ireland. NILGA represents and promotes the interests of local authorities and is supported by all the main political parties. Councils are responsible for the delivery of a number of tourism and economic development services, and view tourism as a key potential growth area for economic development at local level. Councils are keen to ensure that they have a key role in the development and implementation of the Tourism Strategy in NI and in provision of world class services.

NILGA is pleased to be able to have an opportunity to comment on the proposals for a Tourism (Amendment) Bill, and we trust that our comments will be taken into account when developing the final proposals. This response was developed in liaison with local government Economic Development Officers and Tourism Officers.

**BACKGROUND**

The draft legislation includes proposals to increase the period between statutory inspections of certified tourist establishments from an annual inspection to one every four years, and to provide for reviews in respect of such establishments between statutory inspections.

The Bill is also designed to confer power on the Northern Ireland Tourist Board to provide financial assistance for the provision or improvement of tourist accommodation, with transfer of resources from Invest NI, and; to amend the procedure for appointing the chairman and Board members of the Northern Ireland Tourist Board.

#### **KEY ISSUES**

##### **Clause 1 – Frequency of Statutory Inspections**

NILGA supports the view that there should be a reduction in frequency of Tourist Board inspections however we are of the opinion that visiting premises every second or third year is more acceptable. Four years is an extensive period without a visit and significant deterioration or alteration may occur within this timeframe without being addressed.

We would highlight to the Committee that Council inspections of relevant Tourist premises will continue on a risk-assessed basis, e.g. regarding food safety and health and safety, to ensure public health is protected.

##### **Clause 2 – Statutory reviews of Certified Tourist Establishments**

NILGA supports this suggestion, with the NITB still retaining the power to carry out ad hoc inspections when required.

##### **Clause 3 - Imposition of Conditions on Inspection other than Statutory Inspection**

##### **Clause 4 - Financial assistance to provide or improve tourist accommodation**

##### **Clause 5 - Appointment of chairman of NI Tourist Board**

NILGA supports the proposal to amend legislation to permit legislation being amended to permit the Chair to be appointed via external competitive measures. As indicated it is hoped that this would enhance the public's confidence in the appointment.

##### **Clause 6 - Short Title and commencement**

## **Response from Omagh Council re Tourism Bill**

1. Omagh District Council welcomes the opportunity to comment on the Tourism Amendment Bill.

2. Omagh District Council welcomes the proposal to change the frequency of statutory inspections of tourism accommodation from an annual inspection to once every four years. This will benefit the operators of tourism accommodation financially as they will only have to pay the inspection fee once every four years. The proposal to require establishments to make a return in

the years between the statutory inspections will ensure that the establishments will continue to meet minimum standards and the bill makes provision for revocation of a certificate if an establishment fails to make a return. Omagh District Council takes the view that this is a sensible and balanced approach to the regulation of tourism establishments.

3. In relation to the proposal to transfer responsibility for tourism accommodation grants from Invest Northern Ireland to the Northern Ireland Tourist Board (NITB), Omagh District Council would accept that this is a rational step given that NITB has responsibility for the regulation and statutory inspection of tourism establishments. Omagh District Council is concerned however that given the Northern Ireland Tourist Board almost exclusive focus on the development of the Signature Project areas this may lead to a bias in the allocation of grants. Accordingly accommodation projects outside the Signature Project areas may be treated less favourably than similar projects within the Signature Project areas. Omagh District Council takes the view that the legislation should be provide that the monies being transferred to NITB in respect of accommodation should be allocated in a manner to ensure that appropriate accommodation development takes place right across Northern Ireland and that location outside the five signature project areas should not unduly prejudice any application.

4. Omagh District Council takes the view that the change in the legislation regarding the appointment of the Chairman of the Northern Ireland Tourist Board is welcome and brings the process for the appointment of this position into line with the process which is currently used in respect of appointments to other public bodies.

## **Appendix 4**

# **Memoranda and Papers from DETI**

## **Response to Committee queries**

To: Jim McManus  
ETI Committee Clerk  
Room 424  
Parliament Buildings  
Stormont  
BT4 3XX

Date: 29 April 2009

### **ETI Committee Request for Information**

1. The purpose of this note is provide the ETI Committee with information arising from the oral evidence session on 2 April 2009 in respect of the proposed Tourism (Northern Ireland) Order (Amendment) Bill.
2. There were two issues which the Committee requested clarification on:
  - (i) the Chair suggested amending the Tourism (Northern Ireland) Order 1992 to enable future changes to the frequency of statutory certification inspections to be made by subordinate legislation. Noel Cornick agreed to explore the feasibility of the Chair's suggestion; and



(ii) Gerry McHugh MLA commented following the evidence session that one of his questions had not been answered. He had asked whether the rationale for the proposed four yearly inspections was based on a model in GB or the RoI.

3. Please find attached a written brief which has been cleared by Minister Foster.

David McCune  
DETI Assembly Liaison Officer

## **Information for ETI Committee – Tourism (Northern Ireland) Order (Amendment) Bill**

### **1. Changing Frequency of Statutory Certification Inspections by Subordinate Legislation**

1.1 At present the frequency of statutory certification inspections are determined by the Tourism (Northern Ireland) Order 1992. As per the Chair of the ETI's suggestion on 2 April 2009, it would be preferable if any future changes to the frequency of inspections were made by way of subordinate legislation. DETI has therefore written to the Departmental Solicitor's Office (DSO) in the first instance to request advice regarding amending the Tourism Order to incorporate such a power. DSO advice on this matter is still awaited.

### **2. Tourist Accommodation Inspections in GB and the RoI**

#### **Rationale for Change**

2.1 NITB currently inspects all tourist accommodation premises once a year – the statutory inspection focuses primarily on the physical attributes of each establishment (this statutory certification regime is underpinned by a voluntary classification (star grading) scheme which is delivered by NITB).

2.2 In most cases there is little significant change in an establishment from year to year and it is proposed therefore to change the frequency of statutory inspections to once every four years.

2.3 This change was initially recommended in 2003 following a major review of the certification of tourist accommodation. Feedback from the tourism industry at that time (and subsequently) was that annual certification inspections were considered unnecessary.

2.4 In 2004 DETI trailed the idea of a reduced inspection regime as part of a public consultation on the Statutory Regulation of Tourist Accommodation in Northern Ireland. The proposal then was that inspections would take place every two to four years. However this was not followed up at the time and the current proposal represents a more positive step towards easing regulation.

2.5 Four years is considered to be an acceptable amount of time to leave between inspections and would be underpinned by accommodation providers completing annual registration statements. DETI and NITB have informally consulted tourism bodies on the proposed change in frequency.

2.6 Different tourist accommodation inspection regimes are operated in GB and the RoI and the inspection cycles in each jurisdiction are tailored to the nature of the schemes. These are summarised below.

## **Inspection Position in GB**

2.7 England, Scotland and Wales operate a common voluntary classification scheme which requires tourism accommodation to meet statutory requirements before a quality award (star rating) can be issued. This scheme is delivered by VisitBritain, VisitScotland and VisitWales.

2.8 Quality assessment visits take place annually as the scheme is primarily based upon the qualitative nature of inspected establishments rather than their physical attributes.

## **Inspection Position in the RoI**

2.9 The RoI operates a statutory registration regime for certain categories of tourist accommodation (for example there is no requirement to register bed and breakfast establishments or individual self catering units). Failte Ireland is the body responsible for setting the requirements for the various categories of accommodation in the RoI.

2.10 The RoI also operates a classification scheme which is mandatory for hotels and guest houses and voluntary for all other categories of accommodation.

2.11 Inspections of hotels and guest houses take place annually as these inspections comprise classification elements. The inspection of other categories takes place every other year or at the discretion of the contractor acting on behalf of Failte Ireland.

# **Letter from DALO re Tourism Amendment Order**

Jim McManus  
ETI Committee Clerk  
Room 424, Parliament Buildings  
Stormont  
BELFAST  
BT4 3XX

16 June 2009

## **Draft Policy Consultation – Statutory Regulation of Tourist Accommodation**

### **Background**

1. DETI is proposing to change the regime whereby tourist accommodation in NI is regulated by NITB (known as certification). This will involve introducing a new Tourism (Northern Ireland) Order (Amendment) Bill. At the Executive meeting on 21 May 2009 approval was obtained to consult on the policy proposals in respect of the proposed Bill.

2. In addition to changing primary legislation, DETI also proposes amending tourism subordinate legislation. The amendments relate to:

(i) updating the minimum criteria to be met by tourist accommodation establishments in Northern Ireland; and

(ii) updating the fees charged in respect of the statutory certification inspections of tourist accommodation establishments

3. Regulations already exist in respect of minimum criteria and fees and there is no statutory requirement to consult on the proposed changes. However, the legislation has not been updated since its introduction in 1992 and we are recommending some major changes (in particular as regards the hotel category). We therefore propose consulting on the changes to ensure the industry are fully aware of what is being proposed (informal consultation with key stakeholders has taken place already and feedback has been that the changes will be welcomed).

## **Proposed Changes to Minimum Criteria**

4. In identifying changes DETI (in consultation with NITB) has sought to ease regulation where possible while still ensuring the minimum standard which tourists can expect. Changes have been identified in respect of each of the existing categories of accommodation (hotels, guest houses, bed and breakfasts, self catering and hostels) and three new categories of accommodation have also been identified for introduction (bunk houses, campus accommodation and guest accommodation).

5. The most significant changes relate to the hotel category. The current criteria are considered to be over prescriptive and can be a barrier to entry to NI for new hotel businesses. Perhaps the main change we propose relates to reducing the dining area requirement in hotels. The current dining area requirement can deter budget type hotels from opening in NI and we are recommending that the dining area requirement be reduced to permit hotels to have smaller dining areas. We have agreed this proposal with DSD as there is a link to Licensing (Northern Ireland) Order 1996 as hotels can use an NITB certificate to obtain a liquor license. DSD are content with our proposed changes and the NI Hotel Federation has advised it also welcomes them.

## **Proposed Changes to Fees**

6. Changes will also be required to subordinate legislation in respect of the fees charged for statutory inspections. The Tourism Order requires that these recover full cost in accordance with HM Treasury guidance.

7. Fees have not been increased since 1992 and a comprehensive review of the cost of certification has identified a shortfall in the cost of delivery. However the proposal to change the frequency of certification inspections from an annual basis to once every four years will, if enacted, result in a saving in fees for tourist accommodation businesses in respect of statutory fees.

8. The fees review has also helped to inform work being carried out by NITB in respect of its non statutory voluntary classification/grading scheme (whereby establishments are awarded stars). NITB are proposing significant changes to the scheme to bring it into line with best practice in GB. NITB has never levied a charge for this service and is currently considering possible fees as part of a major review of the classification scheme. A key issue for NITB going forward will be to obtain industry buy in for a revised scheme and associated fees.

David McCune  
DETI Assembly Liaison Officer (on behalf of DETI Tourism Policy)

# **Tourism Amendment Order Certification - Changes to Subordinate Legislation - Criteria for Categories and Fees**

## **Annex**

### **Draft Consultation on Policy Department of Enterprise, Trade and Investment**

### **The Statutory Regulation of Tourist Accommodation in Northern Ireland**

#### **Proposed Changes To:**

1. The Categories of Tourist Establishment (Statutory Criteria) Regulations (Northern Ireland) 1992
2. The Statutory Inspection of Tourist Establishments (Fees) Regulations (Northern Ireland) 1992

Closing Date for Responses:

## **Contents**

### **Background and Policy Context**

- Purpose of the Consultation
- Review of Statutory Regulation Arrangements
- List of Questions for Consultees

### **Proposed Changes to the Statutory Regulation Arrangements**

- Statutory Categories of Tourist Establishment
- Modernising Statutory Minimum Criteria
- Fees for Statutory Certification Inspections

### **How to Respond**

### **Equality, Regulatory and Rural Impact Aspects**

### **Annexes**

Annex A Glossary of Terms, Bibliography and Useful Reference Materials

Annex B Indicative Minimum Criteria for Bunk Houses

Annex C Indicative Minimum Criteria for Campus Accommodation

Annex D Indicative Minimum Criteria for Guest Accommodation

Annex E Proposed Changes to the Statutory Categories of Tourist Accommodation:

Table 1 Hotels

Table 2 Guest Houses

Table 3 Bed and Breakfast Establishments

Table 4 Self Catering Establishments

Table 5 Hostels

Annex F Proposed Fees for Statutory Certification Inspections

## **Background and Policy Context**

### **Purpose of the Consultation**

1. The Department of Enterprise, Trade and Investment (DETI) proposes amending subordinate legislation in respect of the statutory regulation of tourist accommodation in Northern Ireland.

2. The arrangements for the statutory regulation of tourist accommodation in Northern Ireland are set out in the Tourism (Northern Ireland) Order 1992 and its associated subordinate legislation. The detailed provisions are available at the sources listed at Annex A.

3. DETI, in consultation with the Northern Ireland Tourist Board (NITB), has identified two areas of the subordinate legislation which should be amended. These are:

(i) the minimum criteria to be met by tourist accommodation establishments in Northern Ireland; and

(ii) the fees charged in respect of the statutory certification inspections of tourist accommodation establishments.

4. The changes will require amendments to be made to the following Regulations (any changes to these Regulations will be subject to approval by the Northern Ireland Assembly):

(i) the Categories of Tourist Establishment (Statutory Criteria) Regulations (Northern Ireland) 1992; and

(ii) the Statutory Inspection of Tourist Establishments (Fees) Regulations (Northern Ireland) 1992

5. DETI has also identified proposed changes to the Tourism Order in respect of changes to the frequency of statutory certification inspections. This will involve introducing a new Tourism (Northern Ireland) Order (Amendment) Bill. These changes have been included in a separate consultation document entitled Consultation on Policy – Tourism (Northern Ireland) Order (Amendment) Bill 2010 which may be accessed at (Y to be inserted).

## **Review of Statutory Regulation Arrangements**

6. Northern Ireland is unique within the United Kingdom in providing by statute that all overnight tourist accommodation, offered by way of trade or business, is subject to statutory certification and annual inspection. Certification is administered by NITB and the certification scheme is underpinned by NITB's voluntary classification and grading scheme whereby participating premises are awarded stars.

7. There are currently five statutory categories of tourist accommodation establishment in Northern Ireland – Hotels, Guest Houses, Bed and Breakfast establishments, Self Catering establishments and Hostels. Each category of accommodation has specified criteria denoting the minimum standard that an establishment must achieve in order to be awarded a certificate by the NITB.

8. The purpose of the statutory regulation arrangements is to ensure that all tourist accommodation in Northern Ireland complies with certain basic requirements in terms of the nature, character, extent and standard of accommodation and facilities. In effect, the criteria for each accommodation category represents the minimum standard to be met by all tourist accommodation providers in that category.

9. Feedback from the tourism industry has demonstrated that statutory regulation has played an important part in improving the standard of tourist accommodation in Northern Ireland. Given the changing nature of tourism it is important that the statutory regulation arrangements are updated to address the current and future needs of the tourism industry and its customers.

10. DETI, in consultation with NITB, has therefore undertaken a review of the regulation of tourist accommodation. This review has built upon previous work (which included tourism industry consultation) undertaken in 2003 and 2004 which identified that:

(i) statutory regulation should be retained as it has played an important part in improving the standard of tourist accommodation in Northern Ireland; and

(ii) statutory regulation should be updated to address more appropriately the current and future needs of the industry (including reducing, where possible, the regulatory burden on tourist accommodation businesses) and its customers.

11. In taking forward the review DETI has sought to identify changes which will ease, where possible, the regulatory burden on tourist accommodation businesses, while ensuring that tourist accommodation in Northern Ireland continues to comply with basic requirements in terms of nature, character, extent and standard.

## **List of Questions for Consultees**

12. The questions consultees are asked to consider are:

### **Statutory Categories of Tourist Establishment**

Do you agree the inclusion of (a) Bunk Houses, (b) Campus Accommodation and (c) Guest Accommodation as statutory categories of tourist accommodation?

Have you any views on the indicative minimum criteria for Bunk Houses at Annex B, Campus Accommodation at Annex C and Guest Accommodation at Annex D?

Do you have any views regarding the naming of the Bunk House category, ie should the category be named Bunk House or would, for example, Camping Barn be a more appropriate description?

## **Modernising Statutory Minimum Criteria**

Do you agree with the proposed changes to the statutory minimum criteria for categories set out in Annex E?

Are there any other aspects of the current statutory minimum criteria which you consider should also be changed or modernised?

## **Fees for Inspections**

It is a statutory requirement that the fees for statutory certification inspections are sufficient to cover the cost of the certification scheme. Do you have any comments on the proposed fees?

# **Proposed Changes to the Statutory Regulation Arrangements**

## **Statutory Categories of Tourist Establishment**

13. Under existing legislation all establishments proposing to offer overnight accommodation to tourists must apply to the NITB to be categorised within one of the following categories:

- Hotel
- Guest House
- Bed and Breakfast
- Self-catering
- Hostel

14. It is proposed that the categories of tourist accommodation should be extended to include:

- Bunk Houses
- Campus Accommodation
- Guest Accommodation

15. In drafting the proposed new criteria for each category, cognisance has been taken of the statutory criteria of our nearest competitor, Republic of Ireland, and the grading criteria used in Great Britain.

16. A Bunk House offers simple overnight shelter which retains its character and original internal and external features wherever possible. Indicative minimum criteria for the Bunk House category are attached at Annex B.

17. Campus Accommodation is provided by educational establishments for their students and is made available to individuals, families or groups at certain times of the year. Indicative minimum criteria for the Campus Accommodation category are attached at Annex C.

18. Guest Accommodation is a category whose primary focus is the provision of bedrooms. Inclusion of this category would, for example, facilitate restaurants which wish to provide rooms for tourists and premises which wish to identify themselves as guest inns. Indicative minimum criteria for the Guest Accommodation category are attached at Annex D.

19. Establishments certified under the Bunk House, Campus Accommodation and Guest Accommodation categories will not be able to use their NITB certificate to apply for a liquor licence.

20. The introduction of these categories will facilitate tourist accommodation providers and will help to make the inspection and application processes more transparent.

### **Questions:**

Do you agree the inclusion of (a) Bunk House, (b) Campus Accommodation and (c) Guest Accommodation as statutory categories of tourist accommodation?

Have you any views on the indicative minimum criteria for Bunk House at Annex B, Campus Accommodation at Annex C and Guest Accommodation at Annex D?

Do you have any views regarding the naming of the Bunk House category, ie should the category be named Bunk House or would, for example, Camping Barn be a more appropriate description?

## **Modernising Statutory Minimum Criteria**

21. The current statutory minimum criteria prescribed for tourist accommodation establishments have not been updated since 1992. DETI has consulted with NITB and has identified proposed changes to each of the five current categories of tourist accommodation.

22. The proposed changes proposed to the minimum statutory criteria for each category of accommodation are provided in tables at Annex E.

### **Questions:**

Do you agree with the proposed changes to the statutory minimum criteria for categories set out in Annex E?

Are there any other aspects of the current statutory minimum criteria which you consider should also be changed or modernised?

## **Fees for Statutory Certification Inspections**

23. The Tourism Order requires that fees are paid by tourist accommodation establishments in respect of statutory certification inspections. These fees must be sufficient to cover the cost of the certification scheme (fees are calculated in accordance with HM Treasury Guidance on Fees and Charges).

24. It has been some time since certification fees have been reviewed and DETI has undertaken a comprehensive review to identify the full cost of certification. This review has identified a requirement to increase fees.



25. However, this increase should be mitigated by the Department's intention to change the frequency of certification inspections from an annual basis to once every four years. Subject to the approval of the Northern Ireland Assembly, DETI proposes introducing a regime where a fee is charged once every four years in respect of the statutory certification inspection.

Establishments will pay a much smaller fee in the years between inspections in respect of the award of an annual certificate (consultees may find more details in the Consultation on Policy – Tourism (Northern Ireland) Order (Amendment) Bill 2010 referred to at paragraph 5 above).

26. Details of the proposed changes to statutory certification fees may be found at Annex F.

### **Question:**

It is a statutory requirement that the fees for statutory certification inspections are sufficient to cover the cost of the certification scheme. Do you have any comments on the proposed fees?

## **Equality, Regulatory and Rural Impact Aspects**

27. This consultation is being carried out in accordance with the Guiding Principles contained in the Equality Commissions "Guide to the Statutory Duties".

28. Equality aspects of the changes to the existing arrangements have been considered by DETI. It is concluded that the proposed policy changes do not have any adverse impact on groups stipulated in Section 75 of the Northern Ireland Act 1998.

29. DETI has considered the regulatory impact of the changes proposed within this document. The changes relate to existing legislation and no new regulatory burden is being proposed.

30. DETI has also considered the rural impact of the proposed changes. The proposed changes will not have an adverse effect on rural communities.

## **How to Respond**

We would welcome your views. If you wish to make comment, responses to this consultation document must be received no later than (X to be inserted) 2009

Responses to this consultation document should be sent to:

John Simms  
Tourism Policy Branch  
Department of Enterprise, Trade and Investment  
Netherleigh  
Belfast  
BT4 2JP

Or by email to [john.simms@detini.gov.uk](mailto:john.simms@detini.gov.uk)  
Fax: 02890 529321

All responses should include the name and postal address of the respondent.

Please state whether you are responding as an individual or representing the view of an organization. If responding on behalf of an organisation please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

An acknowledgement will be sent to confirm receipt of each response.

If you have any questions on the consultation document you can contact John Simms:

Tel: 02890 529418

Email: [john.simms@detini.gov.uk](mailto:john.simms@detini.gov.uk)

Hard copies and copies in other formats, eg large print, Braille, disc, audiocassette and other languages are available on request from John Simms at the address shown above.

## **Annex A**

### **Glossary of Terms, Bibliography and Useful Reference Materials**

#### **Glossary of Terms**

"DETI" means the Department of Enterprise, Trade and Investment

"NITB" means the Northern Ireland Tourist Board

"Tourist" means a visitor to Northern Ireland, a person spending his holiday in Northern Ireland or a person travelling for pleasure within Northern Ireland, and "tourism" should be construed accordingly.

"Tourist accommodation" means overnight sleeping accommodation for tourists provided by way of trade or business.

"Statutory inspection" means the inspection of each tourist establishment by an officer of the NITB on at least one occasion each year, "annual inspection" may be understood using this definition.

"Statutory regulation scheme" means the scheme whereby an officer of the NITB inspects each establishment providing overnight tourist accommodation. This can also be termed Certification.

#### **Bibliography and Useful Reference Materials**

\* The Tourism (Northern Ireland) Order 1992, No 235 – [www.opsi.gov.uk](http://www.opsi.gov.uk)

\* Statutory Rules of Northern Ireland 1992, No 136: Statutory Inspection of Tourist Establishments (Fees) Regulations (Northern Ireland) 1992

\* Statutory Rules of Northern Ireland 1992, No 149: Categories of Tourist Establishment (Statutory Criteria) Regulations (Northern Ireland) 1992

The Northern Ireland Tourist Board industry website – [www.nitb.com](http://www.nitb.com)

\* Available from The Stationery Office

## **Annex B**

# Indicative Minimum Criteria for Bunk House

## General

1. The establishment shall provide simple overnight shelter, which retains its character and original internal and external features wherever possible.
2. The establishment shall comply with all statutory requirements relating thereto for the time being in force.

## Construction

3. The establishment shall:-
  - (a) be structurally safe, wind and watertight, in good repair throughout and of suitable design for the purpose;
  - (b) be kept clean and well maintained throughout; and
  - (c) have all public areas adequately lit for safe movement.
4. A sleeping area shall be provided for users of the establishment.
5. A cooking and dining area shall be provided for users of the establishment and if situated inside the building shall be separated from the sleeping area by either a partition wall or by space.
6. The cooking and dining area may be provided under cover on the outside of the building.
7. A separate communal area shall be provided for the users of the establishment and shall contain sufficient furniture, fittings and equipment of good quality and condition to cater for the number of visitors for whom sleeping accommodation is provided. Such furniture, fittings and equipment shall be capable of being moved around without undue difficulty.
8. Provision for securing the establishment internally and externally shall be available.

## Facilities for users

9. The establishment shall contain sufficient tables and chairs or benches to cater adequately for the number of visitors for whom sleeping accommodation is provided.
10. Furniture shall be robust and durable.
11. The establishment shall have a cold drinking water supply inside the building or adjacent to it.
12. Covered waste disposal bins and bin liners shall be provided and garbage shall be removed from the premises twice weekly.
13. The cooking and dining area shall:

(a) have within it a hygienic counter for the preparation of food. If this area is situated inside the building it shall provide sufficient space for food preparation and eating;

(b) contain adequate refrigeration facilities for the storage of perishable food items; and

(c) be provided with adequate heating as required.

14. A sink for the washing of cooking utensils, plates, cutlery, etc. shall be provided with hot and cold running water and suitable cleaning materials.

15. Toilets and shower or bathroom facilities shall be provided for men and women in separate rooms, with separate entrances clearly designated and provided with doors and curtains affording privacy in such rooms.

16. The toilets may be located either inside or outside the establishment. If located inside the establishment, then the toilets must be separate from the cooking and eating area. The toilets shall be flush.

17. Showers shall supply a readily available source of hot and cold water when required.

18. Sleeping accommodation shall:

(a) consist of beds, bunks or wooden platforms;

(b) have at least one external window supplying ventilation and natural light;

(c) have window curtains or blinds for the exclusion of light; and

(d) have sufficient space between bed spaces to ensure ease of movement for the number of visitors accommodated and for storage of belongings.

## **Management and staff**

19. The establishment shall be under the direct management of a responsible person.

## **Other criteria**

20. In the absence of a responsible person from the establishment details of means to summons assistance day and night in the event of an emergency shall be provided and clearly displayed to guests (this shall include contact details for the person responsible for the management of the establishment).

21. The establishment shall contain effective means of natural light and ventilation.

22. An electricity supply shall be provided to the establishment.

## **Equipment**

23. There shall be sufficient coat hooks, a mop and bucket and cleaning materials.

## **Annex C**

# **Indicative Minimum Criteria for Campus Accommodation**

## **General**

1. The establishment shall provide:
  - (a) overnight sleeping accommodation in separate bedrooms; and
  - (b) a service for the regular cleaning of visitors' bedrooms, bathrooms and public areas.
2. The establishment shall comply with all statutory requirements relating thereto for the time being in force.

## **Construction**

3. The establishment shall:
  - (a) be of substantial and durable construction, structurally safe and in good repair throughout and of suitable design for the purpose; and
  - (b) be in good decorative order and kept clean and well maintained throughout, including outdoor areas, grounds and car parking areas.

## **Visitor access**

4. The establishment shall have adequate arrangements for the reception of arriving and departing visitors.
5. Visitors shall have access to the establishment at all times by such means as may be stipulated by the establishment.

## **Dining areas**

6. The establishment may provide a dining area(s) for use by visitors. Where such a dining area(s) is provided, it shall contain furniture, fittings and equipment of good quality and condition for those purposes, and provide adequate space for the number of diners which may reasonably be expected to use it at any time.

## **Kitchen area**

7. The establishment may provide a kitchen(s) for use by the establishment to provide meals for visitors, and/or a kitchen(s) for use by visitors for the preparation of meals.
8. Where a kitchen(s) is provided, the kitchen, together with any associated service area, shall:
  - (a) contain facilities, equipment and fittings which are:-
    - (i) of good quality and condition;
    - (ii) constructed of materials which are easily cleaned;

(iii) adequate for the storage, refrigeration, preparation, cooking and service of food for the maximum number of diners capable of being seated in the dining area and the storage and cleaning of all utensils used in connection therein; and

(b) be adequately ventilated and adjacent to, or easily accessible from, the dining area.

9. Garbage shall not be stored in the kitchen, and shall be removed from the premises at least twice weekly.

## **Visitors' bedrooms**

10. Bedrooms provided for visitors shall be numbered, lettered or otherwise designated so as to identify them, shall be of adequate size for the number of visitors the room is intended to hold. Each such bedroom shall:

(a) have separate access from a corridor;

(b) have a suitable locking device on any door opening onto a corridor; and

(c) contain furniture, fittings and equipment, and be of good quality and condition, for sleeping and toilet purposes and for the storage of visitors' clothing. In general such furniture, fittings and equipment shall include; -

(i) a bed or beds for each visitor the room is intended to hold complete with interior sprung mattress or suitable equivalent;

(ii) a supply of clean linen, blankets or duvet and pillows;

(iii) loose or built-in units comprising wardrobe or cupboards, dressing table, mirror and drawer space for clothes;

(iv) a bedside chair and table

(v) a waste bin

(vi) a carpet or floor surface of suitable design or treatment; and

(vii) window curtains or blinds for privacy and the exclusion of light.

## **Bathrooms and toilets**

11. Where the establishment contains bedrooms which do not have an en suite bathroom, it shall provide, for the use of visitors, at least:-

(a) one bathroom for every 15 visitors or proportion thereof for whom such bedrooms are provided; and

(b) one WC with wash hand basin, suitably located for visitor use, for every 15 such visitors or proportion thereof.

(c) In each bathroom provided in accordance with this paragraph, there shall be a bath or a shower, of good quality and in good condition, which shall be fixed complete with all plumbing for the continuous supply of hot and cold running water and the disposal of waste water.

(d) The en suite bathroom (if any) of a bedroom shall contain a bath or shower, a WC and (unless one is already provided in the bedroom) a wash hand basin, of good quality and in good condition, complete with all plumbing for the continuous supply of hot and cold running water and the disposal of waste water.

(e) Bathrooms and toilets provided in accordance with this paragraph shall have an effective means of natural or mechanical ventilation and shall be equipped with a suitable locking device, mirror, towel rails, clothes hooks, bath mat and a clean and ample supply of toilet requisites, including towels, soap and toilet paper.

## **General**

13. The establishment shall:

(a) contain effective means of natural lighting and ventilation:

(b) have a means of heating capable of maintaining, when required, a room temperature of 18.5 degrees Celsius;

(c) provide a means for guests to summon the attention of staff as required; and

(d) be under the supervision of a responsible person and shall be staffed by persons adequate in number and training to maintain appropriate standards of service for visitors at all reasonable times.

## **Annex D**

### **Indicative Minimum Criteria for Guest Accommodation**

#### **General**

1. The establishment shall provide:-

(a) overnight sleeping accommodation for visitors in en suite bedrooms; and

(b) a service for the regular cleaning of rooms.

2. The establishment shall be capable of making breakfast available to visitors.

3. The establishment shall comply with all statutory requirements relating thereto for the time being in force.

#### **Construction**

4. The establishment shall:-

(a) be of substantial and durable construction, structurally safe, in good repair throughout and of suitable design for the purposes of paragraph 1(a);

(b) be exclusively or primarily used for the provision of sleeping accommodation for visitors, in separate rooms; and

(c) be in good decorative order and kept clean and well maintained throughout, including outdoor areas, grounds and car parking areas.

## **Entrance**

5. The establishment shall have an entrance hall which shall include a suitable facility for receiving visitors.

## **Visitor's bedrooms**

6. Bedrooms may be accessed from within or without the establishment and appropriate measures to ensure the security of visitors shall be provided by the establishment. Bedrooms for visitors shall be numbered, lettered or otherwise designated so as to identify them, shall be of adequate size for the number of visitors the room is intended to hold. Each bedroom shall:-

(a) have two locking devices from within and a single locking device from without on any door opening onto a corridor or the outside of the establishment;

(b) contain at least two electrical outlets for the attachment of electrical equipment including heaters and cleaning equipment; and

(c) contain furniture, fittings and equipment of good quality and condition for sleeping and toilet purposes and for the storage of visitors clothing. Generally such furniture, fittings and equipment shall include:-

(i) a bed or beds for each visitor the room is intended to hold complete with interior sprung mattress or suitable equivalent;

(ii) a supply of clean linen, blankets or duvets and pillows;

(iii) loose or built-in units comprising wardrobe or cupboard, dressing table, mirror and drawer space for clothes;

(iv) a bedside chair and table;

(v) a waste bin;

(vi) a carpet or floor of suitable design or treatment; and

(vii) window curtains or blinds for privacy and the exclusion of light.

## **En Suite Bathrooms**

7. The en suite bathroom of a bedroom shall contain a bath or shower, a WC and a wash hand basin, of good quality and in good condition, complete with plumbing for the continuous supply of hot and cold running water and the disposal of waste water. The en suite bathroom shall have



an effective system of direct or mechanical ventilation and shall be equipped with mirror, towel rails, clothes hooks, bath mat and a clean and ample supply of toilet requisites, including towels, soap and toilet paper.

## Heating, lighting and ventilation

8. The establishment shall:-

(a) contain effective means of natural lighting and ventilation; and

(b) have a means of heating capable of maintaining, when required, a room temperature of 18.5 celsius.

## Management and staff

7. The establishment shall:-

(a) be under the supervision of a person trained or experienced in guest accommodation management; and

(b) be staffed by persons appropriate in number and training to maintain appropriate standards of service at all reasonable times.

## Annex E

### Proposed Changes to the Statutory Categories of Tourist Accommodation

Table 1 - Hotels

Area	Proposed change to minimum criteria	Applicable to all establishments or new establishments?
General	Establishments in this category must have not less than 15 double bedrooms, all of which (rather than 75% at present) must have an en suite bathroom.	New
	Hotels are to be permitted to provide serviced bedrooms outside (but adjacent to) the main hotel building. Such bedrooms are to be en suite.	All
	The requirement that hotels provide a midday meal is to be replaced with a requirement to provide midday refreshments.	All
	The requirement for a maid service for the regular cleaning of rooms is to be replaced with a requirement that rooms are cleaned daily when visitors are resident.	All
Dining Area	The minimum size of the dining area currently required in hotels is to be reduced (the aim is to ensure that dining areas continue to be of a size sufficient to cater for visitors resident	All

Area	Proposed change to minimum criteria	Applicable to all establishments or new establishments?																																																
	<p>in a hotel while facilitating private sector initiative). In considering a revised formula for dining area size DETI is proposing two revisions: a dining area should be based on the number of bedrooms in a hotel rather than the number of visitors. This takes into consideration that fact that hotels operate at less than maximum occupancy (eg single visitors in double bedrooms); and hotels with 151 bedrooms and above should be required to provide a dining area of at least 150 square metres. However, this is considered sufficient to cater for visitors and it would be for the proprietor of the hotel to decide whether he wished to provide a larger dining area. The new proposed dining area ratio, in comparison with the current ratio, is as follows:</p> <table border="1" data-bbox="360 801 842 1865"> <thead> <tr> <th colspan="2">Current Statutory Ratio</th> <th colspan="2">Proposed Revised Statutory Ratio</th> </tr> <tr> <th>No of Visitors</th> <th>Dining Area Square Metres</th> <th>No of Bedrooms</th> <th>Dining Area Square Metres</th> </tr> </thead> <tbody> <tr> <td>Up to 50</td> <td>50</td> <td>Up to 50</td> <td>50</td> </tr> <tr> <td>51 – 60</td> <td>60</td> <td>51 – 60</td> <td>60</td> </tr> <tr> <td>61 – 70</td> <td>70</td> <td>61 – 70</td> <td>70</td> </tr> <tr> <td>71 – 80</td> <td>80</td> <td>71 – 80</td> <td>80</td> </tr> <tr> <td>81 – 90</td> <td>90</td> <td>81 – 90</td> <td>90</td> </tr> <tr> <td>91 – 100</td> <td>100</td> <td>91 – 100</td> <td>100</td> </tr> <tr> <td>101 – 150</td> <td>140</td> <td>101 – 125</td> <td>125</td> </tr> <tr> <td>151 – 200</td> <td>170</td> <td>126 – 150</td> <td>150</td> </tr> <tr> <td>201 – 250</td> <td>200</td> <td>151 +</td> <td>Minimum of 150</td> </tr> <tr> <td>251 or more</td> <td>230</td> <td></td> <td></td> </tr> </tbody> </table>	Current Statutory Ratio		Proposed Revised Statutory Ratio		No of Visitors	Dining Area Square Metres	No of Bedrooms	Dining Area Square Metres	Up to 50	50	Up to 50	50	51 – 60	60	51 – 60	60	61 – 70	70	61 – 70	70	71 – 80	80	71 – 80	80	81 – 90	90	81 – 90	90	91 – 100	100	91 – 100	100	101 – 150	140	101 – 125	125	151 – 200	170	126 – 150	150	201 – 250	200	151 +	Minimum of 150	251 or more	230			
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No of Visitors	Dining Area Square Metres	No of Bedrooms	Dining Area Square Metres																																															
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	The minimum floor to ceiling requirement of 2.44 metres in dining areas is to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at	All																																																

Area	Proposed change to minimum criteria	Applicable to all establishments or new establishments?																														
	least 1.5 metres will be applicable when measuring the size of the room.																															
	The requirement that dining areas contain furniture and equipment adequate for the number of visitors for whom sleeping accommodation is provided is to be removed. This will be replaced with a requirement that adequate furniture and equipment be provided for the number of visitors who may reasonably be expected to use the dining area at any one time.	All																														
	Dining areas will no longer be required to provide table cloths, table mats and crockery of a uniform design. References to ashtrays in dining areas to be removed.	All																														
Kitchen Area	The requirement that staff facilities in hotels include separate lounge and dining areas is to be amended to permit hotels to provide combined lounge/dining areas for staff.	All																														
	The requirement that staff facilities must be located in the kitchen area to be removed. Staff facilities will still be required but may be located separately from the kitchen area and if appropriate outside, but adjacent to the main hotel building.	All																														
General Toilets	In line with the proposed amendment with dining area size, the ratio of toilets in the main hotel building will be aligned to the number of bedrooms in the hotel rather than the hotel's visitor capacity. The new proposed general toilet ratio, in comparison with the current ratio, is as follows:	All																														
	<table border="1" data-bbox="359 1290 1129 2002"> <thead> <tr> <th colspan="3" data-bbox="359 1290 730 1368">Current Statutory Ratio</th> <th colspan="3" data-bbox="730 1290 1129 1368">Proposed Revised Statutory Ratio</th> </tr> <tr> <th data-bbox="359 1368 475 1480">No of Visitors</th> <th data-bbox="475 1368 603 1480">Toilets for Men</th> <th data-bbox="603 1368 730 1480">Toilets for Women</th> <th data-bbox="730 1368 874 1480">No of Bedrooms</th> <th data-bbox="874 1368 1002 1480">Toilets for Men</th> <th data-bbox="1002 1368 1129 1480">Toilets for Women</th> </tr> </thead> <tbody> <tr> <td data-bbox="359 1480 475 1666">Up to 20</td> <td data-bbox="475 1480 603 1666">1 WC, 1 urinal, 1 wash hand basin</td> <td data-bbox="603 1480 730 1666">1 WC, 1 wash hand basin</td> <td data-bbox="730 1480 874 1666">Up to 20</td> <td data-bbox="874 1480 1002 1666">1 WC, 1 urinal, 1 wash hand basin</td> <td data-bbox="1002 1480 1129 1666">1 WC, 1 wash hand basin</td> </tr> <tr> <td data-bbox="359 1666 475 1852">21 to 50</td> <td data-bbox="475 1666 603 1852">1 WC, 2 urinals, 1 wash hand basin</td> <td data-bbox="603 1666 730 1852">2 WCs, 2 wash hand basins</td> <td data-bbox="730 1666 874 1852">21 to 50</td> <td data-bbox="874 1666 1002 1852">1 WC, 2 urinals, 1 wash hand basin</td> <td data-bbox="1002 1666 1129 1852">2 WCs, 2 wash hand basins</td> </tr> <tr> <td data-bbox="359 1852 475 2002">51 to 100</td> <td data-bbox="475 1852 603 2002">2 WCs, 2 urinals, 2 wash</td> <td data-bbox="603 1852 730 2002">3 WCs, 3 wash hand basins</td> <td data-bbox="730 1852 874 2002">51 to 100</td> <td data-bbox="874 1852 1002 2002">2 WCs, 2 urinals, 2 wash</td> <td data-bbox="1002 1852 1129 2002">3 WCs, 3 wash hand basins</td> </tr> </tbody> </table>		Current Statutory Ratio			Proposed Revised Statutory Ratio			No of Visitors	Toilets for Men	Toilets for Women	No of Bedrooms	Toilets for Men	Toilets for Women	Up to 20	1 WC, 1 urinal, 1 wash hand basin	1 WC, 1 wash hand basin	Up to 20	1 WC, 1 urinal, 1 wash hand basin	1 WC, 1 wash hand basin	21 to 50	1 WC, 2 urinals, 1 wash hand basin	2 WCs, 2 wash hand basins	21 to 50	1 WC, 2 urinals, 1 wash hand basin	2 WCs, 2 wash hand basins	51 to 100	2 WCs, 2 urinals, 2 wash	3 WCs, 3 wash hand basins	51 to 100	2 WCs, 2 urinals, 2 wash	3 WCs, 3 wash hand basins
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Area	Proposed change to minimum criteria	Applicable to all establishments or new establishments?																		
	<table border="1"> <tr> <td data-bbox="360 367 475 450"></td> <td data-bbox="475 367 603 450">hand basins</td> <td data-bbox="603 367 730 450"></td> <td data-bbox="730 367 858 450"></td> <td data-bbox="858 367 986 450">hand basins</td> <td data-bbox="986 367 1121 450"></td> </tr> <tr> <td data-bbox="360 450 475 629">101 to 200</td> <td data-bbox="475 450 603 629">3 WCs, 3 urinals, 3 wash hand basins</td> <td data-bbox="603 450 730 629">4 WCs, 4 wash hand basins</td> <td data-bbox="730 450 858 629">101 to 200</td> <td data-bbox="858 450 986 629">3 WCs, 3 urinals, 3 wash hand basins</td> <td data-bbox="986 450 1121 629">4 WCs, 4 wash hand basins</td> </tr> <tr> <td data-bbox="360 629 475 819">201 or more</td> <td data-bbox="475 629 603 819">4 WCs, 4 urinals, 4 wash hand basins</td> <td data-bbox="603 629 730 819">5 WCs, 4 wash hand basins</td> <td data-bbox="730 629 858 819">201 or more</td> <td data-bbox="858 629 986 819">4 WCs, 4 urinals, 4 wash hand basins</td> <td data-bbox="986 629 1121 819">5 WCs, 4 wash hand basins</td> </tr> </table>		hand basins			hand basins		101 to 200	3 WCs, 3 urinals, 3 wash hand basins	4 WCs, 4 wash hand basins	101 to 200	3 WCs, 3 urinals, 3 wash hand basins	4 WCs, 4 wash hand basins	201 or more	4 WCs, 4 urinals, 4 wash hand basins	5 WCs, 4 wash hand basins	201 or more	4 WCs, 4 urinals, 4 wash hand basins	5 WCs, 4 wash hand basins	
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Lounge Area	The requirement that hotels provide lounge areas of adequate size to cater for the number of visitors for whom sleeping accommodation is provided is to be removed to permit proprietor's discretion as to whether a lounge is appropriate or necessary.	All																		
Bedrooms and Bathrooms	The floor to ceiling requirement of 2.44 metres in visitor bedrooms to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at least 1.5 metres will be applicable when measuring the size of the room.	All																		
	Shaver points will no longer be required in the en suite bathrooms of hotels.	All																		
	The number of electrical outlets provided in visitors' bedrooms will be increased from one to two.	All																		
	The requirement for a counterpane in visitor bedrooms to be removed. References to ashtrays in bedrooms to be removed.	All																		
	Window curtains and blinds shall be sufficient to ensure privacy and exclusion of light.	All																		
Staffing	The requirement that staff resident in a hotel be provided with sleeping accommodation separate from those provided for visitors to be removed.	All																		
Other Criteria	The requirement that suitable tourism literature must be provided to be removed	All																		

**Table 2 - Guest Houses**

Area	Proposed change to minimum criteria	Applicable to all establishments or new establishments?
General	Establishments in this category must have not less than 3 double bedrooms, all of which must have an en suite bathroom (at present the minimum criteria is 3 double bedrooms with no requirement for en suite bathrooms).	New
	The requirement for a maid service for the regular cleaning of rooms to be replaced with a requirement that rooms are cleaned daily when visitors are resident.	All
Entrance	The requirement that guest houses provide an entrance hall of sufficient size to cater for the number of visitors for whom sleeping accommodation is provided to be amended to permit the entrance hall to be of a size sufficient for the number of visitors who may be expected to use them at any one time.	All
Dining Area	The floor to ceiling requirement of 2.44 metres in dining areas to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at least 1.5 metres will be applicable when measuring the size of the room.	All
	Cutlery, condiments, napkins and crockery to be sufficient to cater for the number of guests who may be expected to use the dining area at any one time.	All
Lounge Area	The requirement that guest houses provide lounge areas of adequate size to cater for the number of visitors for whom sleeping accommodation is provided to be amended to permit the lounge areas to be of a size sufficient for the number of visitors who may be expected to use them at any one time.	All
Bedrooms and Bathrooms	The current requirement that establishments must provide at least one bath will be removed and establishments to be permitted to provide baths or showers, or any combination thereof.	All
	The number of electrical outlets provided in visitors' bedrooms will be increased from one to two.	All
	Shaver points will no longer be required.	All
	The requirement for a counterpane in visitor bedrooms to be removed. References to ashtrays in bedrooms to be removed.	All
	Window curtains and blinds shall be sufficient to ensure privacy and exclusion of light.	All

**Table 3 - Bed and Breakfast Establishments**

Area	Proposed change to minimum criteria	Applicable to all establishments or new establishments?
General	Bed and Breakfasts to provide cooked breakfasts for staying visitors, as opposed to the current requirement of 'being capable' of providing a cooked breakfast. This is to ensure that establishments fulfill this requirement.	All
	Bed and Breakfasts to be in good decorative order and kept clean and well maintained throughout (while these are currently statutory requirements for all other categories of tourist accommodation, they are not currently required of Bed and Breakfasts).	All
	Outdoor areas, grounds and car parking areas to be well maintained (while these are currently statutory requirements for all other categories of tourist accommodation, they are not currently required of Bed and Breakfasts).	All
Dining Area	The floor to ceiling requirement of 2.44 metres in dining areas to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at least 1.5 metres will be applicable when measuring the size of the room.	All
	Cutlery, condiments, napkins and crockery to be sufficient to cater for the number of guests who may be expected to use the dining area at any one time.	All
Bedrooms and Bathrooms	References to ashtrays in bedrooms to be removed.	All
	Window curtains and blinds shall be sufficient to ensure privacy and exclusion of light.	All
	Establishments must provide one bathroom for every 6 visitors (rather than the current requirement of one bathroom for every 10 visitors).	New
	Establishments must provide one WC with wash hand basin for every 6 visitors (rather than the current requirement for one WC with wash hand basin for every 10 visitors).	New
	The current requirement that establishments must provide at least one bath will be removed and establishments to be permitted to provide baths or showers, or any combination thereof.	All

**Table 4 - Self Catering Establishments**

<b>Area</b>	<b>Proposed change to minimum criteria</b>	<b>Applicable to all establishments or new establishments?</b>
General	Self catering units to provide access to laundry facilities, either within a self catering unit or access to such, for example as part of shared facilities.	New
Lounge and Dining Areas	A lounge and dining area shall have sufficient furniture, fittings and equipment for the number of persons for whom sleeping accommodation is provided.	All
Bedrooms and Bathrooms	Shaver points will no longer be required.	All
	Window curtains and blinds shall be sufficient to ensure privacy and exclusion of light.	All
	Sufficient bedding to be provided for each bed in a self catering unit.	All

**Table 5 - Hostels**

<b>Area</b>	<b>Proposed change to minimum criteria</b>	<b>Applicable to all establishments or new establishments?</b>
Dining Area	The floor to ceiling requirement of 2.44 metres in dining areas to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at least 1.5 metres will be applicable when measuring the size of the room.	All
Common Room	The floor to ceiling requirement of 2.44 metres in common rooms to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at least 1.5 metres will be applicable when measuring the size of the room.	All
Bathrooms and Toilets	One shower or bath to be provided for every 10 visitors (rather than the current ratio of one shower of bath for every 20 visitors).	New
	One WC to be provided for every 10 visitors (rather than the current ratio of one WC for every 15 visitors).	New
Bedrooms	The floor to ceiling requirement of 2.44 metres in bedrooms to be removed. With respect to rooms with sloping ceilings, only the floor area with a ceiling height of at least 1.5 metres will be applicable when measuring the size of the room.	All
	Window curtains and blinds shall be sufficient to ensure privacy and exclusion of light.	All

## **Annex F**

# Proposed Fees for Statutory Certification Inspections

**Table 1 – Current Fee Structure**

This table sets out the current fees as set by Statutory Rules of Northern Ireland 1992, No 136: Statutory Inspection of Tourist Establishments (Fees) Regulations (Northern Ireland) 1992.

Category	Per bedroom £	Min fee £	Max fee £
Hotels	£16	£200	£1,500
Bed and breakfast	£10	£50	£150
Guest House	£10	£50	£150
Self-catering (per unit, not bedroom)	£25	£25	£250
Hostel (per bed, not bedroom)	£1.50	£25	£100

**Table 2 – Proposed Fee Structure**

This table sets out the proposed fee structure in accordance with DETI’s proposal to move from an annual statutory certification inspection regime to one of inspections once every four years.

This new regime will be underpinned by establishments providing annual compliance statements in the years between inspections.

Establishments will be required to pay the appropriate fee once every four years, rather than an annual fee as at present. In addition, in each of the three years between statutory certification inspections establishments will pay a set fee of £10 to cover the cost of registration and the issue of a certificate.

Proposed fee structure	Per Establishment	Inspection takes place		
		Per bedroom	Min fee	Max fee
Category	£	£	£	£
Hotels	-	£20	£300	£2,000
Bed and breakfast	-	£20	£80	£200
Guest House	-	£20	£80	£200



Proposed fee structure	Per Establishment	Inspection takes place		
		Per bedroom	Min fee	Max fee
Category	£	£	£	£
Guest Accommodation (new category)	-	£20	£80	£200
Campus Accommodation (new category)	-	£20	£80	£200
Self-catering (per unit, not bedroom)	-	£40	£40	£350
Hostel and Bunk House (new category) (per bed, not bedroom)	-	£2.00	£70	£175
Certificate only (per establishment)	£10	n/a	n/a	n/a

**Table 3 - Fee Structure Based Continuation of Current Regime**

This table is included to illustrate the fee structure should the current system of annual inspections continue.

Proposed fee structure Current scheme retained	Per bedroom	Min fee	Max fee
Category	£	£	£
Hotels	£17	£235	£1,650
Bed and breakfast	£13	£65	£175
Guest House	£13	£65	£175
Guest Accommodation (new category)	£13	£65	£175
Campus Accommodation (new category)	£13	£65	£175
Self-catering (per unit, not bedroom)	£30	£30	£300
Hostel and Bunk House (new category) (per bed, not bedroom)	£1.75	£30	£135

# **Consultation responses re Tourism (Amendment) Bill**

Mr Jim McManus  
Clerk  
Enterprise, Trade and Investment Committee  
Room 424  
Parliament Buildings  
Stormont  
BELFAST  
BT4 3XX 5 November 2009

## **Proposed Tourism (Northern Ireland) Order (Amendment) Bill)**

The Minister of Enterprise, Trade and Investment wrote to the Committee in March 2009 regarding the above Bill. The Bill will change the frequency whereby NITB is required to conduct statutory inspections of tourist accommodation establishments and will also change the mechanism for appointing the Chair of the NITB.

The consultation on the proposed Bill ended on 2 October 2009. The purpose of this letter is to provide briefing on the outcome of the consultation. The briefing is set out in the Appendix to this letter. I would be grateful if you would bring this to the attention of the Committee.

Yours sincerely

DAVID MCCUNE  
DETI Assembly Liaison Officer

## **Appendix**

### **Proposed Tourism (Northern Ireland) Order (Amendment) Bill**

### **Briefing For The Eti Committee On Result Of Consultation Which Ended On 2 October 2009**

#### **Introduction and Background**

1. The Bill is intended to amend the Tourism (Northern Ireland) Order 1992. The Tourism Order is the primary legislation under which the Northern Ireland Tourist Board (NITB) is constituted.

2. DETI, in consultation with NITB, identified two areas of the Tourism Order for amendment. These amendments will:

(i) alter the frequency of the statutory certification inspections of tourist accommodation establishments by NITB; and

(ii) change the mechanism for appointing the chair of the NITB.

3. Part IV of the Tourism Order provides for the regulation of tourist accommodation. Under this Part the NITB is required to carry out an annual inspection of all certified tourist accommodation establishments (it is an offence to offer tourist accommodation in NI without being in receipt of a valid certificate from NITB). The inspection focuses primarily on the physical attributes of each establishment and in most cases there is little significant change in an establishment from year to year. It is proposed to change the requirement for annual statutory inspection as follows:

(i) statutory inspections will take place once every four years; and

(ii) to ensure that establishments comply with the minimum standards required by legislation it is proposed that tourist accommodation providers to provide annual registration statements.

4. NITB will still retain the power to carry out ad hoc inspections as required (as is the case at present under the Tourism Order), for example, to investigate complaints about establishments.

5. In respect of changing the mechanism for appointing the Chair of the NITB the Tourism Order currently requires that the Board of the NITB shall consist of not more than nine members, one of whom is appointed as Chair by the DETI Minister. This means that the position cannot be advertised with the aim of appointing a Chair directly to the Board.

6. It is proposed to remove the requirement that that the Chair of the NITB must be appointed from among the Board members.

## **Response to the Policy Consultation**

7. The consultation on the proposed Bill ended on 2 October 2009. The consultation exercise was carried out using the Office of First Minister and Deputy First Minister Guidance on issue of consultation documents and issued to those on the list in that document. As it affects tourist accommodation providers the consultation document was also issued to all tourist accommodation establishments and relevant tourism bodies.

8. DETI received 23 responses to the consultation from a wide range of tourism interests. The greatest interest among the respondents related to the proposed change to the frequency of statutory certification inspections. The majority of those were against the change. Some were in favour of the retention of the annual inspection regime while others argued for an inspection every two years. Two of the respondents were in favour of a statutory inspection every two years. Five of the respondents were in favour of the proposed change to a statutory inspection every four years, most notably the Northern Ireland Hotels Federation (NIHF) is in favour of the proposed change (the NIHF represents the hotel and guest house sectors in NI).

9. More than 2,000 people and organisations were consulted on the changes to proposed to the frequency of inspections and only 18 of those registered their opposition to the proposed change. DETI therefore proposes taking forward the change and is confident that the reduction in the frequency of inspections (underpinned by annual self registration and ad hoc inspections by NITB as required) will ease the regulatory burden on tourism accommodation businesses.

10. Only ten of the 23 respondents commented on the change to the mechanism for appointing the Chair of the NITB. Nine were in favour of the proposed change with one arguing that any potential Chair should have at least one year's experience as a member of the NITB Board. Most significantly the Office of the Commissioner for Public Appointments in NI responded in favour of the proposed change.

## **Next Steps**

11. Following the commencement of the policy consultation several additional changes to the Tourism Order were identified in respect of the delivery of NITB's voluntary Classification Scheme (the Scheme whereby tourist accommodation establishments are awarded stars). These changes have arisen from a major review of the Classification Scheme. The additional changes required to the Tourism Order are:

(i) permitting NITB to contract out the delivery of Classification to a third party (at present the Tourism Order requires the Scheme to be delivered by NITB); and

(ii) permitting the Classification Scheme to be opened up to a range of tourism businesses and visitor attractions (at present the Tourism Order limits the delivery of the Classification Scheme to tourism accommodation establishments only).

12. DETI wishes to facilitate the changes proposed to the Classification Scheme which will benefit NITB's flexibility in the delivery of the Scheme and also the tourism industry, and visitors, as its key customers. It is therefore the Department's intention to incorporate the changes referred to above into the proposed Bill. The changes proposed to Classification are not considered to be controversial and will involve issuing an addendum consultation document which DETI would propose running for 8 weeks to ensure that the Bill is processed and made during the lifespan of the current Assembly. DETI will revert to the Committee with a draft consultation document shortly.

Noel Cornick  
Head of DETI Tourism, Agency Liaison & Equality Division

**Letter from Minister to Chair re Tourism Bill**  
**21 May 2010**

From the Office of the Minister



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Our Ref: DETI SUB 204/2010

Alban Maginness MLA  
Chair  
Committee for Enterprise, Trade and Investment  
Room 424, Parliament Buildings  
Stormont  
BELFAST  
BT4 3XX

21<sup>st</sup> May 2010

*Dear Alban,*

#### **PROPOSED TOURISM (AMENDMENT) BILL**

##### **Background**

The purpose of this letter is to advise the Committee for Enterprise, Trade and Investment that I propose making provision in the Tourism (Amendment) Bill for the transfer, from Invest NI to NITB, of responsibility for tourism accommodation grants.

You may recall the aim of the proposed Bill is to alter the frequency whereby NITB inspects tourist accommodation establishments, and also to amend the mechanism for appointing the Chair of NITB. The policy consultation on the proposed Bill ended in October 2009 and the ETI Committee noted the outcome of the consultation in November 2009.

##### **IREP Recommendation - Grant Assistance for Tourist Accommodation**

The recent Independent Review of Economic Policy (IREP) has presented an opportunity to expand the scope of the Tourism (Amendment) Bill. Committee Members will be aware that in December 2008 I commissioned Professor Richard Barnett to undertake IREP, the overarching aim of which was to assess DETI and Invest NI policy to determine whether it was sufficient to help deliver the productivity goal contained in the Programme for Government.

One of the IREP recommendations was that *"Invest NI should transfer its budgets relating to tourist accommodation back to DETI to be redistributed to a more appropriate body"*.

Invest NI is the body within DETI currently responsible for grant assisting tourist accommodation. Invest NI took on this role in 2002 when the function transferred from NITB. The power which enables Invest NI to grant assist tourist accommodation is contained in the Industrial Development Act (Northern Ireland) 2002 ("the Act").

Prior to the inception of Invest NI, NITB was responsible for grant assisting tourist accommodation. NITB's powers in this regard were contained in the Tourism (Northern Ireland) Order 1992 ("the Tourism Order"). These powers were removed from the Tourism Order and incorporated into the Act when Invest NI was created in 2002.

The recommendation to transfer tourist accommodation grants from Invest NI was included in the public consultation on the IREP proposals which ended in November 2009. The majority of consultees were in favour of the proposal to transfer the tourist accommodation grants from Invest NI.

Having considered the IREP recommendation I have decided to make provision in the Bill for the transfer of responsibility for tourist accommodation grants from Invest NI to NITB. This is appropriate as:

- a key statutory function for NITB is the encouragement of tourism in Northern Ireland;
- NITB will play a key role in the implementation of the new Tourism Strategy for NI which will set a vision for tourism in NI until 2020, and
- NITB already has the statutory power to provide grant assistance for tourist non accommodation projects under Part III of the Tourism Order. This assistance is delivered under the Tourism Development Scheme.

**Proposed Tourism (Amendment) Bill - Additional Provision**

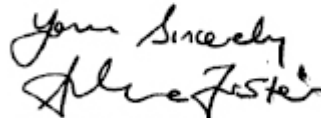
As I have mentioned above, Invest NI currently derives its power to grant assist tourist accommodation from the Industrial Development Act (Northern Ireland) 2002, whereas NITB currently has no statutory provision in respect of such grant assistance.

It is therefore timely, and appropriate, that provision is included in the proposed Tourism (Amendment) Bill for the transfer of accommodation grant responsibility from Invest NI to NITB. No decision has been made on the timing of a transfer and the actual date can be determined by use of a Commencement Order.

My officials are currently considering the financial and staffing implications associated with the transfer. However, as this is effectively a transfer of responsibilities within the DETI family there will be no additional financial implications.

I invite the Committee to note the addition to the proposed Tourism (Amendment) Bill. I will seek Executive agreement to this additional provision being included in the Bill.

My officials would be happy to brief Committee Members if they would find that useful.



**ARLENE FOSTER MLA**  
Minister of Enterprise, Trade and Investment

## **Consultation responses from IREP re Tourism (Amendment) Bill**

Mr Jim McManus  
Clerk Enterprise, Trade and Investment Committee  
Room 424  
Parliament Buildings  
Stormont

BELFAST  
BT4 3XX

Dear Jim

## **Tourism (Amendment) Bill**

At its meeting on 3 June the ETI Committee requested copies of all Independent Review of Economic Policy (IREP) consultation responses in respect of the recommendation to transfer responsibility for tourist accommodation grants from Invest NI.

The relevant responses are attached as an Appendix. The tourism references from the IREP Report are also included in the Appendix.

Yours sincerely

DAVID MCCUNE  
DETI Assembly Liaison Officer

## **Appendix**

### **Independent Review of Economic Policy**

#### **Extracts From IREP Report Relating to Tourism Chapter 3 – Overview of Current Policies and Spending**

3.82 As outlined in Chapter 1, the Review Panel have been asked to consider the tourism policies/programmes operated by Invest NI, and also to form a view on the appropriateness of Invest NI's engagement with the sector. Over the Review period, Invest NI offered a total of £12m to tourism related projects in NI. The majority of assistance has been delivered via SFA, although the assisted projects include the development of new hotels and the expansion of existing hotels, with funding given to building new bedrooms, leisure complexes (in particular, the development of spa facilities) and conference amenities.

3.83 The Review have two major concerns with these types of tourism investments made by Invest NI. Firstly, the nature of the projects appears to sit uncomfortably with the stated mission of Invest NI, which is to boost business productivity in the NI economy (wages in the Tourism sector are typically very low). Secondly, there are other bodies funded by DETI which have a more clearly defined objective to develop the Tourism sector in NI (for example the NI Tourist Board and, in part, Tourism Ireland). The Review Panel are firmly of the view that Invest NI should remove itself from supporting tourism projects in NI and that this area of responsibility should be picked up by other bodies that have an exclusive policy objective in the Tourism sector. A specific recommendation reflecting this point is included in Chapter 7.

#### **Chapter 7 – Recommendations for Change**

7.22 The Panel have also expressed concerns on the engagement of Invest NI in the tourism sector. In our view, activity in terms of tourism accommodation projects is misaligned with the Invest NI mission of increasing business productivity. Furthermore, as other bodies have the policy lead/operational responsibility for this area (DETI/NI Tourist Board and Tourism Ireland),

the Review Panel recommend that Invest NI should transfer its budgets relating to tourism accommodation back to DETI to be redistributed to a more appropriate body.

## Responses to Consultation on IREP Report and Recommendations

### Recommendation 7.22 - "the Review Panel recommend that Invest NI should transfer its budgets relating to tourism accommodation back to DETI to be redistributed to a more appropriate body"

	Respondent	Comment on Recommendation 7.22
1.	Ards Borough Council	The Council welcomes the realignment from Invest NI to another element of DETI of the tourism accommodation investment initiatives, and recommends that NITB working in contractual partnership with local authorities would produce the optimum, knowledge driven solution to this issue.
2.	Armagh District Council	Armagh City and District Council would concur the budgets relating to Tourism Accommodation revert back to with DETI to be redistributed to an appropriate body. Armagh City and District Council would suggest it may be possible to take a similar approach as DARD has taken with the Rural Development Programme Axis 3.3.
3.	Banbridge Borough Council	Banbridge District Council believes the budgets relating to tourism accommodation should be transferred to local authorities.
4.	Ballymoney Borough Council	Ballymoney Borough Council welcomes the following recommendations in particular and looks forward with interest to their progression: A more strategic and integrated approach to regional economic development; Economic Development as a separate key consideration in the Executive; The review of DETI's role in Invest NI governance, and its operational activities; Invest NI's refocus towards R& D and innovation and the withdrawal of barriers (including the current narrow technology-related definition of innovation) to a wider base of potential clients; Budgets relating to tourist accommodation being redirected to a more appropriate body.
	Respondent	Comment on Recommendation 7.22
5.	Belfast City Council	Council agree with this recommendation; however we understand that there is a moratorium on grants for hotel accommodation in Belfast and would like this to be reviewed. Belfast City Council would also like councils to be considered as a potential body to distribute tourism accommodation grants under the RPA.
6.	Bombardier	AGREE
7.	Business Alliance	We do not have strong views on this proposal. While it makes sense to some degree, we would want reassurance that an existing body with the appropriate expertise can deliver the necessary 'assessments' in an efficient manner. We would suggest this is not a key focus or major resource requirement on Invest NI – the answer must therefore be who is best placed to undertake such appraisals. However the Report only focuses on tourism accommodation and makes no reference to other forms of support/assistance to the sector. This is likely to continue (and



	<b>Respondent</b>	<b>Comment on Recommendation 7.22</b>
		appears consist with the Report's recommendation to widen the Invest NI client base).
8.	Coleraine Borough Council	Council agree with recommendation to transfer function back to Northern Ireland Tourist Board.
9.	Coleraine Chamber of Commerce	CBCCI is very supportive of this recommendation. The concept of a single body having responsibility for the administration of all programmes of support for tourism development, including tourism accommodation is attractive and eminently sensible.
10.	Federation of Small Businesses	The FSB strongly agrees that there is significant potential in Northern Ireland for developing tourism as a source of economic input. It will be important to ensure that major visitor attractions such as the Giant's Causeway and the Mourne are capable of meeting the increased tourism potential of a higher volume of visitors to Northern Ireland, and that this potential is realised financially. However, it is also important that visitors are attracted to all parts of Northern Ireland, and that areas other than those designated as 'signature projects' receive adequate attention. Similarly, small enterprises such as guest houses and gift shops are important to the tourist trade and must be supported, encouraged and grown. To develop a comprehensive strategy, there must be a focused, centralised tourism structure, and with this in mind it makes sense that resources are centralised to avoid the potential for duplication and wastage.
	<b>Respondent</b>	<b>Comment on Recommendation 7.22</b>
11.	Fermanagh District Council	Tourism should no longer be part of Invest NI's realm of interest.
12.	Invest NI Board	There are both pros and cons with this recommendation which need to be fully understood and it may, therefore, require further development to ensure that the optimum support is available for the industry. It is difficult to understand the rationale for this recommendation. Indeed, as set out at Paragraph 1.10 of the IREP Report the Panel was given a very limited remit 'to form a view on the appropriateness of Invest NI's engagement in the sector'. It might be appropriate that consideration should therefore be given to deferring any action on this recommendation until it can be dealt with in the context of the development of the forthcoming Tourism Strategy for Northern Ireland. While calls for a more co-ordinated approach to tourism appear laudable, it is unlikely that given the current government structure and responsibilities, any major change will be brought about in the near future. Assistance for the Tourism sector comes from several public sources (ie, DCAL, DEL, EHS, DARD and Local Councils), in addition to DETI. When responsibility for tourism accommodation businesses and other commercial tourism businesses passed to Invest NI at its inception, it was recognised that Invest NI was the primary economic development agency in NI. By transferring tourism businesses to Invest NI it was acknowledging that the agency was best placed to administer support to the sector. It is also important to note that prior to the inception of Invest NI, NITB did not have responsibility for training support. This was the responsibility of the Training and Employment Agency. It was also recognised that tourism businesses would gain from

	Respondent	Comment on Recommendation 7.22
		<p>being able to access the full range of Invest NI advice, ie, guidance; access to programmes; and support for capability development. While the IREP acknowledges the total amount of support offered over the period it does not give weight to the other support provided. To date Invest NI has made over 109 offers for capability development (non-capital), covering training; management development; systems improvement; ICT development; consultancy, etc. In the period from 2005/06 to date the tourism team in Invest NI has made 549 referrals to its various support divisions. It has also engaged with companies in helping them to identify the barriers to growth and competitiveness, through a number of diagnostic programmes. While working with NITB to identify future accommodation capacity needs, Invest NI has sought to increase the capability and resulting productivity of tourism businesses. It has sought also through the development of an industry specific marketing programme, to develop the skills of management in the sector. It is also noticeable that the levels of advisory interactions with businesses in the sector continue to grow, with the quantum having doubled in 2008/09, compared with 2005/06.</p>
12.	Invest NI Board	<p>It is doubtful whether any other part of DETI would be able to offer the same breadth and depth of business development advice and guidance to the sector. Indeed it might well be argued that tourism businesses suffered from not being part of the remit of the former industrial development agencies, and this point was made strongly to DETI when the proposal for the merging of the former agencies was under consultation. In terms of capital support, Invest NI has ensured that its policy for intervention is aligned with NITB strategy for development of the sector. The tourism team has developed the skills necessary to ensure rigorous appraisal of capital projects. For larger or more complex projects it also has the resource of a dedicated appraisal team.</p>
13.	Limavady Borough Council	<p>Limavady Borough Council believes that this should be in the domain of local authorities. In passing this back to DETI, it will more than likely end up in the domain of the Northern Ireland Tourism Board, thus adding another layer of bureaucracy to the local accommodation provider. Similarly it is envisaged that other tourism functions, such as Regional Tourism Partnerships, will be assimilated back in local authorities – therefore it makes sense that this funding remains with the grass roots tourism local authorities.</p>
14.	Lisburn City Council	<p>Again with the RPA imminent, this is an opportunity for local Councils to take the lead in, and be in control of the development of their local tourism sector, which will allow for regional disparities, demand and local need to be more closely considered.</p>
15.	MATRIX	<p>MATRIX welcomes the suggestion that Invest NI transfer its budgets relating to tourism accommodation back to DETI to be redistributed to a more appropriate body as activity in this area is misaligned with the mission of Invest NI.</p>
16.	Moyle District Council	<p>Moyle agrees with this recommendation and would suggest that councils are ideally placed to co-ordinate the distribution of tourism accommodation grants under the RPA.</p>

	<b>Respondent</b>	<b>Comment on Recommendation 7.22</b>
17.	NI Advisor on Employment and Skills	I welcome also the suggestion that Invest NI transfer its budgets relating to tourism accommodation back to DETI to be redistributed to a more appropriate body as activity in this area is misaligned with the mission of Invest NI.
18.	NI Local Government Association	NILGA agree with this recommendation and would suggest that councils are ideally placed to co-ordinate the distribution of tourism accommodation grants under the RPA.
19.	SDLP	In our document "New Priorities in Difficult Times" we recognise the potential for tourism development and the ongoing need for clear strategic aims for the sector, therefore we note with interest that "The Review Panel are firmly of the view that Invest NI should remove itself from supporting tourism projects in NI and that this area of responsibility should be picked up by other bodies that have an exclusive policy objective in the Tourism sector."

## Appendix 5

### Research Papers

#### Northern Ireland Assembly Research and Library Service Bill Paper

6 September 2010

Aidan Stennett

#### Tourism (Amendment) Bill 2010 NIAR 309-10

Paper outlining the provisions contained in the Tourism (Amendment) Bill 2010, including commentary on the Bill's proposals.

Paper 309/10 6 September 2010

### Key Points

The Tourism (Amendment) Bill (the Bill) will amend the Tourism (Northern Ireland) Order 1992 (the Tourism Order), introducing provisions in three areas:

- Northern Ireland Tourist Board (NITB) statutory inspections of tourist accommodation;
- the appointment of the NITB chairperson; and
- the transfer of tourist accommodation grants from Invest Northern Ireland to NITB.

The following paper provides an overview of these amendments as well as a discussion of their potential impact based upon responses to the Departmental consultation on the Bill.

## **Executive Summary**

### **Statutory Inspection**

The Bill will amend the Tourism Order by reducing the frequency of tourist accommodation inspection from yearly to once every four years. The Bill will also require establishments to provide NITB with an annual self-review and will enable the Board to carry-out ad hoc inspections when required.

Northern Ireland Tourist Board (NITB) is the only regional tourist board in the UK that has a statutory duty to inspect tourist accommodation. Tourist Boards in England, Scotland and Wales offer voluntary quality assurance and grading schemes for tourist accommodation. Premises partaking in voluntary schemes are subject to an annual inspection.

In the Republic of Ireland tourist accommodation is assessed and graded by Fáilte Ireland. Upon completion of an initial application for registration a premise is inspected by the tourist board. Proprietors are required to annually renew registration by submitting an application of renewal. On the basis of this application the board may choose to inspect the premises if the board is 'of opinion that such premises have ceased to be eligible for registration in such register'.

The Department has argued that moves to reduce the frequency of inspections will diminish the burden on proprietors and on NITB.

During the Department's consultation process 23 out of 25 responses commented on the proposed change to statutory inspections. Of these 14 respondents (61%) did not favour a reduction in inspection frequency. Amongst this group were respondents who believed that the change would be a 'retrograde step', that the perceived burden upon proprietors was 'no burden at all' and that the reduction in frequency was simply a 'cost-cutting measure' on the part of NITB. Others felt that a less extreme reduction, with inspections every two or three years, was preferable.

Those who did support the Department's proposals also supported the Department's view that the reduction in frequency would diminish the burden faced by proprietors.

There was general acceptance of the introduction of self-certification in lieu of annual inspection.

### **The appointment of the NITB Chairperson**

The chairperson of NITB is currently appointed by the Minister. The Bill amends the Tourism Order, removing this proviso and thereby enabling the selection of the NITB chairperson through open recruitment.

The Development of Tourism Act 1969 provides that the chairperson of the British Tourist Authority and the English Tourist Board is appointed by the Secretary of State for Trade.

The same Act maintains that the chair of the Scottish Tourist Board is appointed by the Secretary of State for Scotland. Upon devolution this function was transferred to the relevant Scottish Minister. A similar situation existed in Wales until the Wales Tourist Board (Transfer of Functions

to the National Assembly for Wales and Abolition) Order 2005 abolished the Wales Tourist Board, the functions of which were assumed by the Department of Heritage.

Under section 14 of the National Development Authority Act (2003) all members of the Fáilte Ireland board, including the chair person, are appointed by the Minister

The Department has stated that allowing open selection of the NITB Chairperson will enhance public confidence. They have also stated that selection via open recruitment will be consistent with Office of the Commissioner for Public Appointments for Northern Ireland guidance and with the legal mechanisms whereby Chairs are appointed to the other Non Departmental Public Bodies in the DETI family.

Of the 11 respondents to the Departmental Consultation who commented on this issue only one was not in favour of the proposals. Those who favoured the proposal agreed with the Department's comments regarding public confidence.

## **Transfer of tourist accommodation grants from Invest Northern Ireland to NITB**

The Bill will provide NITB with powers to provide grant assistance to tourist accommodation and facilitates, and will transfer certain assets from Invest Northern Ireland to the tourist board. A date for the transfer of these functions has not been set.

In England and Scotland tourist boards have the power to 'give financial assistance for the carrying out of any project which in the opinion of the Board will provide or improve tourist amenities and facilities in the country for which the Board is responsible'. In Wales, the functions of the Wales Tourist Board, including powers to provide financial assistance to the National Assembly for Wales as a result of the Wales Tourist Board (Transfer of Functions to the National Assembly for Wales and Abolition) Order 2005.

In the Republic of Ireland the National Tourism Development Act (2003) provides Fáilte Ireland with the power to provide financial aid.

The decision to provide NITB with the power to provide financial assistance to tourist accommodation and facilities is a result of recommendations found in the Independent Review of Economic Policy (IREP).

The impact of this proposal did not form part of the Departments consultation on the Bill but was included in the IREP consultation. Only 19 of the 69 responses to this consultation addressed this issue. Of those that did 17 were in favour of transferring responsibility of funding tourist accommodation to another body, believing it to be an appropriate course of action.

Of the remaining responses one did not express a firm view on the issue. The remaining response, Invest NI's, stated:

There are both pros and cons with this recommendation which need to be fully understood and it may, therefore, require further development to ensure that the optimum support is available for the industry.

It continued:

In terms of capital support, Invest NI has ensured that its policy for intervention is aligned with NITB strategy for development of the sector. The tourism team has developed the skills necessary to ensure rigorous appraisal of capital projects.

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### 4 Transfer of tourist accommodation grants from Invest Northern Ireland to NITB

#### 4.1 The Bill

#### 4.2 Precedent

#### 4.3 Commentary

## 1 Introduction

The Tourism (Amendment) Bill (the Bill)<sup>[1]</sup> will amend the Tourism (Northern Ireland) Order 1992 (the Tourism Order), introducing provisions in three areas:

- Northern Ireland Tourist Board (NITB) statutory inspections of tourist accommodation;
- the appointment of the NITB chairperson; and
- the transfer of tourist accommodation grants from Invest Northern Ireland to NITB.

The following paper examines these provisions, comparing them to the situation in the rest of the UK and the Republic of Ireland as well as providing commentary based on departmental statements and responses to relevant consultation documents.

## 2 Statutory Inspection

### 2.1 The Bill

Under the provisions of the Tourism Order, NITB is obligated to conduct statutory inspections, the mechanism by which the Board certify tourist accommodation, 'in each year'. The Bill proposes that this should be altered to 'in every period of four years'.<sup>[2]</sup>

The Bill will also require establishments to provide NITB with an annual self-review and will enable the Board to carry-out ad hoc inspections when required.

As is the case with the Tourism Order the inspection regime will apply to:

- hotels;
- guest houses;
- bed and breakfast establishments;
- self-catering establishments; and
- hostels.

The current cost of statutory inspection for the various categories is:

- hotels - £16 for each letting bedroom subject to a minimum of £200 and a maximum of £1500;<sup>[3]</sup>
- guest houses - £10 for each letting bedroom subject to a minimum of £50 and a maximum of £150;<sup>[4]</sup>
- bed and breakfast establishments - £10 for each letting bedroom subject to a minimum of £50 and a maximum of £150;<sup>[5]</sup>
- self-catering establishments - £25 for each cabin, apartment, chalet, house or any other individual unit provided for visitors subject to a minimum of £25 and a maximum of £250;<sup>[6]</sup> and
- hostels - £1.50 for each bed provided for visitors subject to a minimum of £25 and a maximum of £100.<sup>[7]</sup>

## 2.2 Precedent

NITB is the only tourist board in the UK that has a statutory requirement to carry out inspections of tourist accommodation. The three regional tourist boards in the UK ('Enjoy England'<sup>[8]</sup>, 'Visit Scotland'<sup>[9]</sup> and 'Visit Wales'<sup>[10]</sup>) operate voluntary quality assurance and grading schemes for various types of tourist accommodation (including bed and breakfasts, hotels, self-catering, parks and hostels). In all three cases the schemes include yearly assessment via inspection.

In the Republic of Ireland, the Tourism and Traffic Acts 1939-2003 require that all hotels, guesthouses, caravan and camping sites, hostels, holiday camps, and registered self-catering (groups) be assessed and graded by Fáilte Ireland. Assessment occurs annually and at other times in the event of a complaint.<sup>[11]</sup> With regard to the inspection of tourist accommodation, the act states:

Whenever an application is duly made to the Board for the registration of premises in a register, the Board shall cause such premises to be inspected by an officer of the Board.<sup>[12]</sup>

The duration of each registration is one year, after which a premises is required to renew its registration, a process begun by the submitting an application of renewal. The Acts state:

Whenever an application is duly made to the Board for the renewal of the registration of premises in a register, the Board, if it is of opinion that such premises have not ceased to be eligible for registration in such register, shall, before the 31st day of December next after the date of such application, renew the registration of such premises in such register.[\[13\]](#)

However, the act also states:

Whenever an application is duly made to the Board for the renewal of the registration of premises in a register and the Board is of opinion that such premises have ceased to be eligible for registration in such register, the Board shall cause such premises to be inspected by an officer of the Board.[\[14\]](#)

The above implies that there is no statutory duty to inspect accommodation annually; rather it appears that, following initial inspection, inspections are carried out whenever they are deemed to be necessary by the board. Research has contacted Fáilte Ireland on this point, seeking clarification. To date a response has not been forthcoming.

Fáilte Ireland also offers a voluntary assessment and grading system to:

- Irish Home B&Bs;
- Historic Houses;
- Pubs with Accommodation;
- Restaurants with Accommodation;
- Activity Holiday Accommodation; and
- Individual Self Catering.

Establishments registered under this scheme are known as listed accommodation.[\[15\]](#)

## **2.3 Commentary**

The Department have stated that the change is desirable as it 'will clearly reduce the burden on proprietors and on the Tourist Board'. They have added that:

Moving from annual statutory inspections to a regime of statutory inspections once every four years, will result in a saving for tourist accommodation providers in respect of the fees charged for statutory inspections.[\[16\]](#)

Of the 25 responses to the initial departmental consultation, 23 commented on the proposals outlined in section 2.1. The majority of these 61% (14 respondents) did not favour the reduction in inspection frequency from every year to once every four years.[\[17\]](#)

These responses shared the opinion that the proposals would lead to an overall reduction in the quality of service in Northern Ireland tourist accommodation. Respondents believed that changes would be a 'retrograde step', potentially harming the tourism industry as a whole. One respondent expressed the concern that the tourism industry as a whole was so dependent on word-of-mouth the entire industry would suffer, should standards slip in accommodation. The respondent stated:

One bad comment spreads very quickly and could be potentially disastrous for us all.[\[18\]](#)



Another respondent questioned the argument that the proposals would result in a reduction in the regulatory burden. The respondent argued that although there was a burden in ensuring accommodation was up to standard in the first place, maintaining standards for subsequent inspections was in the interests of the establishment and therefore 'no burden at all'.<sup>[19]</sup>

Many of those who were unsupportive of the proposal believed it to primarily be a cost-cutting measure.<sup>[20]</sup>

Other respondents, who disagreed with the four-year inspection, suggested a compromise of inspecting premises every two-years, others suggested ever three-years.<sup>[21]</sup>

Those respondents who agreed with the four-year inspection proposals supported the Department's argument that the change would lead to a reduction in the burden faced by proprietors.<sup>[22]</sup>

There was general acceptance of the proposal to introduce self-certification in lieu of annual inspection. Some, however, felt that this should be accompanied by the random inspection of establishments.<sup>[23]</sup>

## **3 The appointment of the NITB Chairperson**

### **3.1 The Bill**

Currently, under provisions outlined in the Tourism Order, the Minister of Enterprise, Trade and Investment appoints the Chairperson of NITB from the nine members of the NITB Board. The Bill will amend Schedule 1 of the Tourism Order to remove this proviso, thereby opening up the selection of Board Chairperson to external open recruitment.<sup>[24]</sup>

### **3.2 Precedent**

The Development of Tourism Act 1969 (as amended) provides that:

- the British Tourist Authority consists of a chairman and not more than five other members appointed by the Secretary of State for Trade, as well as the chairman of the English Tourist Board, the Scottish Tourist Board and the Wales Tourist Board;<sup>[25]</sup>
- the English Tourist Board consists of a chairman and not more than six other members appointed by the Secretary of State for Trade;<sup>[26]</sup>
- the Scottish Tourist Board consists of a chairman and not more than six other members appointed by the Secretary of State for Scotland<sup>[27]</sup> (board membership was increased to a maximum of 11 by the Tourist Board (Scotland) Act 2006, the name of the Scottish Tourist Board was changed to Visit Scotland by the same act<sup>[28]</sup>). With Devolution the function of the Secretary of State for Scotland in this regard was transferred to the relevant Scottish Minister;<sup>[29]</sup> and
- the Wales Tourist Board shall consist of a chairman and not more than six other members appointed by the Secretary of State for Wales.<sup>[30]</sup> However, the Wales Tourist Board (Transfer of Functions to the National Assembly for Wales and Abolition) Order 2005 abolished the Wales Tourist Board. Visit Wales, the Welsh tourism promotion agency is now situated within the Department of Heritage.<sup>[31]</sup>
- Under section 14 of the National Development Authority Act (2003) all members of the Fáilte Ireland board, including the chair person, are appointed by the Minister.<sup>[32]</sup>

### 3.3 Commentary

In its consultation document the Department state that the benefits of this proposal include:

- permitting the Chair of NITB to be directly appointed by the Minister via external open competition, thereby enhancing public confidence;
- consistency with guidance provided by the Office of the Commissioner for Public Appointments for Northern Ireland; and
- consistency with the legal mechanisms whereby Chairs are appointed to the other Non Departmental Public Bodies in the DETI family, ie the General Consumer Council NI, Health and Safety Executive NI and Invest NI.[\[33\]](#)

Only 11 of the 25 respondents (44%) to the initial departmental consultation commented on the appointment of the NITB Board Chairperson. Of these only one was in opposition to the proposal. Respondents stated that an open external competition would be preferable as it would ensure the process was fairer and more transparent, enhancing public confidence in the Chairperson.[\[34\]](#) A statement by the Federation of Small Businesses was typical of favourable responses:

The Federation of Small Businesses unreservedly supports the principle of appointment on merit. If there is an opportunity to appoint a suitable candidate by outside the competition who will enhance the capability of the Northern Ireland Tourist Board, this option must be available, as opposed to being restricted to a process of internal appointment.[\[35\]](#)

The one respondent who questioned the merit of the proposal stated:

Historically the chair has been appointed from the constituency of the board. This has certain advantages regarding the skill set, experience, board/executive relationships, industry specific and NITB specific knowledge. A board member appointed to chair will have a proven track record of board competence on the NITB. As board members already have the imprimatur of ministerial appointment it is fatuous to suggest that somehow the chair must come through an independent route. I would suggest that the chair should have least one year experience as a board member before appointment.[\[36\]](#)

## 4. Transfer of tourist accommodation grants from Invest Northern Ireland to NITB

### 4.1 The Bill

Clause four of the Bill enables NITB to provide grant assistance to tourist accommodation and facilitates, as well as the transfer of certain assets from Invest Northern Ireland to NITB. As such, the clause repeals section 3(4) of the Industrial Development Act (Northern Ireland) 2002 (the repealed clause transferred the power to provide grant assistance to Invest NI). Schedule 1 of the Bill provides for the transfer, from Invest NI to NITB, of assets and liabilities connected to 'providing financial assistance for the provision or improvement of tourist accommodation'.[\[37\]](#)

Despite the Bill's provisions, a date for the transfer of these functions has not been set.[\[38\]](#)

### 4.2 Precedent

The Development of Tourism Act 1969, which applies to England, Scotland and Wales, states (in section 2(4)):

None of the Tourist Boards shall have power, except as provided by sections 3 and 4 of this Act, to give financial assistance for the carrying out of, or itself to carry out, any project for providing or improving tourist amenities and facilities in Great Britain.<sup>[39]</sup>

Section 3 of the same Act provides that:

The British Tourist Authority may, after consultation with the English Tourist Board, the Scottish Tourist Board and the Wales Tourist Board prepare schemes providing for the giving of financial assistance by those Boards for the carrying out of projects of such classes as may be specified in the schemes, being projects which in the opinion of the Authority will provide or improve tourist amenities and facilities in Great Britain.<sup>[40]</sup>

Section 4 gives each Tourist Board the power to execute particular tourist projects, stating:

A Tourist Board shall have power—

(a) in accordance with arrangements approved by the relevant Minister and the Treasury, to give financial assistance for the carrying out of any project which in the opinion of the Board will provide or improve tourist amenities and facilities in the country for which the Board is responsible;

(b) with the approval of the relevant Minister and the Treasury, to carry out any such project as aforesaid.<sup>[41]</sup>

The Wales Tourist Board (Transfer of Functions to the National Assembly for Wales and Abolition) Order 2005 transferred the powers of the Wales Tourist Board, including powers to provide financial assistance to the National Assembly for Wales.<sup>[42]</sup>

The National Tourism Development Act (2003) provides that amongst Fáilte Ireland's functions are the encouragement, promotion and support of tourism within the region and the development and marketing of tourist facilities and services. To enable the body to fulfill this remit it has the power to provide financial aid.<sup>[43]</sup>

### **4.3 Commentary**

The decision to transfer the power to provide financial assistance to the tourist industry to NITB is borne out of the recommendations of the Independent Review of Economic Policy (IREP):

Invest NI should transfer its budgets relating to tourism accommodation back to DETI to be redistributed to a more appropriate body.<sup>[44]</sup>

Commenting on this proposal the Minister has stated:

It is important to note that the recommendation is in no way a criticism of Invest NI's role in grant-assisting tourist accommodation but recognises that grant assisting tourist accommodation is misaligned with Invest NI's mission to increase business productivity. Having considered the IREP recommendation, I decided to make provision for the transfer of responsibility for tourist accommodation grants from Invest Northern Ireland to the Northern Ireland Tourist Board. Including such a provision in the Bill is appropriate because a key statutory function of the NITB is the encouragement of tourism in Northern Ireland.<sup>[45]</sup>

The impact of this proposal did not form part of the Departments consultation on the Bill. The issue did form part of the Consultation on IREP; although only a proportion (19 out of 68 responses or 28%) of respondents addressed the issue directly (that is the transfer of functions, rather than the development of the tourist industry in general)

Of those responses that did address the issue, the majority (17 responses) were in favour of transferring responsibility of funding tourist accommodation to another body, believing it to be an appropriate course of action. The Northern Ireland Local Government Association and a number of Councils (Banbridge, Limivady, Lisburn, and Moyle) believed that such functions should be transferred to local authorities.<sup>[46]</sup>

Of the remaining responses one expressed no definite opinion supporting or rejecting the proposal. The remaining response was Invest NI's and it is worth quoting at length. On the subject of financial support for tourist accommodation the agency stated:

There are both pros and cons with this recommendation which need to be fully understood and it may, therefore, require further development to ensure that the optimum support is available for the industry.

It is difficult to understand the rationale for this recommendation. Indeed, as set out at Paragraph 1.10 of the IREP Report the Panel was given a very limited remit 'to form a view on the appropriateness of Invest NI's engagement in the sector'. It might be appropriate that consideration should therefore be given to deferring any action on this recommendation until it can be dealt with in the context of the development of the forthcoming Tourism Strategy for Northern Ireland.<sup>[47]</sup>

Continuing:

In terms of capital support, Invest NI has ensured that its policy for intervention is aligned with NITB strategy for development of the sector. The tourism team has developed the skills necessary to ensure rigorous appraisal of capital projects.<sup>[48]</sup>

[1] The Tourism (Amendment) Bill 2010

[2] The Tourism (Amendment) Bill 2010

[3] NITB Information Pack – hotel application process <http://www.nitb.com/DocumentPage.aspx?path=f0df7ef8-8d04-4373-abcd-a733b60c27d2,dc7d4a49-3e01-45f5-9d9d-9bdd694897c6,cbc2f4c9-72dc-4be0-a052-8d3d3fcb12b7> (accessed 11/08/10)

[4] NITB Information Pack – guest house application process <http://www.nitb.com/DocumentPage.aspx?path=f0df7ef8-8d04-4373-abcd-a733b60c27d2,dc7d4a49-3e01-45f5-9d9d-9bdd694897c6,55d840ba-ec8c-45f1-9ca1-adb2dd6d64ab> (accessed 11/08/10)

[5] NITB Information Pack – bed and breakfast application process NITB Information Pack – guest house application process <http://www.nitb.com/DocumentPage.aspx?path=f0df7ef8-8d04-4373-abcd-a733b60c27d2,dc7d4a49-3e01-45f5-9d9d-9bdd694897c6,78e6714e-1b6b-4fba-b356-097c5d6d9071> (accessed 11/08/10)

[6] NITB Information Pack – self catering application process NITB Information Pack – guest house application process <http://www.nitb.com/DocumentPage.aspx?path=f0df7ef8-8d04-4373->

abcd-a733b60c27d2,dc7d4a49-3e01-45f5-9d9d-9bdd694897c6,2831efef-fdb5-4a40-b7b3-a6294146b6cb (accessed 11/08/10)

[7] NITB Information Pack – hostel application process NITB Information Pack – guest house application process <http://www.nitb.com/DocumentPage.aspx?path=f0df7ef8-8d04-4373-abcd-a733b60c27d2,dc7d4a49-3e01-45f5-9d9d-9bdd694897c6,cbc2f4c9-72dc-4be0-a052-8d3d3fcb12b7> (accessed 11/08/10)

[8] Enjoy England, Quality Assessment and Star Ratings [http://www.enjoyengland.com/corporate/corporate-information/Industry\\_Services/Accommodation\\_and\\_Spas/Accommodation/Quality\\_Assessment\\_and\\_Star\\_Ratings.aspx](http://www.enjoyengland.com/corporate/corporate-information/Industry_Services/Accommodation_and_Spas/Accommodation/Quality_Assessment_and_Star_Ratings.aspx) (accessed 12/08/09)

[9] Visit Scotland, Quality Assurance [http://www.visitscotland.org/business\\_support/quality\\_assurance.aspx](http://www.visitscotland.org/business_support/quality_assurance.aspx) (accessed 12/08/10)

[10] The Welsh Assembly Government, Tourism – Grading <http://new.wales.gov.uk/topics/tourism/grading/?lang=en> (accessed 12/08/10)

[11] Fáilte Ireland Introduction to hotel classification scheme [http://www.failteireland.ie/FailteCorp/media/FailteIreland/documents/Business\\_Supports/Standards\\_and\\_Quality/Introduction-to-Hotel-Classification-System.pdf](http://www.failteireland.ie/FailteCorp/media/FailteIreland/documents/Business_Supports/Standards_and_Quality/Introduction-to-Hotel-Classification-System.pdf) (accessed 31/08/10)

[12] Tourist Traffic Acts 1939 to 2003 Restatement s27(1) [http://www.failteireland.ie/FailteCorp/media/FailteIreland/documents/Business\\_Supports/Standards\\_and\\_Quality/Registered\\_Accommodation/The\\_Tourist\\_Traffic\\_Acts\\_1939\\_2003.pdf](http://www.failteireland.ie/FailteCorp/media/FailteIreland/documents/Business_Supports/Standards_and_Quality/Registered_Accommodation/The_Tourist_Traffic_Acts_1939_2003.pdf)

[13] Ibid s30(1)

[14] Ibid s30(2)

[15] Fáilte Ireland Listed Accommodation Criteria <http://www.failteireland.ie/Business-Supports/Quality-and-Standards/Listed-Accommodation-Criteria> (accessed 31/08/10)

[16] Department of Enterprise, Trade and Investment, Regulatory Impact Assessment – The Tourism (Amendment) Bill (October 2009) [http://www.detini.gov.uk/regulatory\\_impact\\_assessment\\_-\\_tourism\\_amdment\\_bill.pdf](http://www.detini.gov.uk/regulatory_impact_assessment_-_tourism_amdment_bill.pdf) (accessed 11/08/10)

[17] Department of Enterprise, Trade and Investment, Response to the Tourism (Amendment) Order 2010 <http://www.detini.gov.uk/deti-tourism-index/responses-to-tourism-order-consultations.htm> (accessed 11/08/10)

[18] Ibid

[19] Ibid

[20] Ibid

[21] Ibid

[22] Ibid

[23] Ibid

[24] The Tourism (Amendment) Bill 2010

[25] The UK Statute Law Database, Development of Tourism Act 1969, [http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1969/cukpga\\_19690051\\_en\\_1\\_s1](http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1969/cukpga_19690051_en_1_s1) (accessed 12/08/10)

[26] Ibid

[27] Ibid

[28] The UK Statute Law Database, Tourist Boards (Scotland) Act 2006, [http://www.opsi.gov.uk/legislation/scotland/acts2006/asp\\_20060015\\_en\\_1](http://www.opsi.gov.uk/legislation/scotland/acts2006/asp_20060015_en_1) (accessed 12/08/10)

[29] The UK Statute Law Database, Scotland Act 1998, [http://www.opsi.gov.uk/acts/acts1998/ukpga\\_19980046\\_en\\_4#pt2-pb1-l1q47\\_s60](http://www.opsi.gov.uk/acts/acts1998/ukpga_19980046_en_4#pt2-pb1-l1q47_s60) (accessed 12/08/10)

[30] The UK Statute Law Database, Development of Tourism Act 1969, [http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1969/cukpga\\_19690051\\_en\\_1\\_s1](http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1969/cukpga_19690051_en_1_s1) (accessed 12/08/10)

[31] Welsh Assembly Government, Tourism <http://new.wales.gov.uk/topics/tourism/?lang=en> (accessed 12/08/10)

[32] The Irish Statute Book, National Tourism Development Act 2003, s14 <http://www.irishstatutebook.ie/2003/en/act/pub/0010/print.html#partii-sec14> (accessed 12/08/10)

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[34] Department of Enterprise, Trade and Investment, Response to the Tourism (Amendment) Order 2010 <http://www.detini.gov.uk/deti-tourism-index/responses-to-tourism-order-consultations.htm> (accessed 11/08/10)

[35] Ibid

[36] Ibid

[37] The Tourism (Amendment) Bill 2010

[38] Northern Ireland Assembly Official Report, Tourism (Amendment) Bill: Second Stage (29 June 2009) <http://archive.niassembly.gov.uk/record/reports2009/100629.htm> (accessed 12/08/10)

[39] The UK Statute Law Database, Development of Tourism Act 1969, [http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1969/cukpga\\_19690051\\_en\\_1](http://www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1969/cukpga_19690051_en_1) (s2(4))

[40] Ibid s3(1)

[41] Ibid s4(1)

[42] Welsh Statutory Instrument 2005 No. 3225 (W.237), The Wales Tourist Board (Transfer of Functions to the National Assembly for Wales and Abolition) Order 2005 <http://www.opsi.gov.uk/legislation/wales/wsi2005/20053225e.htm> (accessed 12/08/10)

[43] The Irish Statute Book, National Tourism Development Act 2003, s8 <http://www.irishstatutebook.ie/2003/en/act/pub/0010/sec0008.html#partii-sec8> (accessed 12/08/10)

[44] Barnett et al. The Independent Review of Economic Policy (Sept 2009) <http://www.irep.org.uk/Docs/report.pdf> p10 (accessed 12/10/10)

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[46] Department of Enterprise, Trade and Investment Responses to Independent Review of Economic Policy <http://www.detini.gov.uk/deti-eco-dev-index/responses-to-independent-review-of-economic-policy.htm>(accessed 12/08/10)

[47] Ibid

[48] Ibid

## **Appendix 6**

### **List of Witnesses**

Ms Lorraine Fleming Department of Enterprise, Trade and Investment

Mr John Simms Department of Enterprise, Trade and Investment

Ms Caroline Adams Northern Ireland Tourist Board

Alderman Jim Dillon Northern Ireland Local Government Association

Mr Peter Thompson Northern Ireland Local Government Association