



**Northern Ireland
Assembly**

Research and Library Service Bill Paper

06 September 2010

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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

06 September 2010

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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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1 Introduction

The Tourism (Amendment) Bill (the Bill)¹ 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'*.²

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;³
- guest houses - £10 for each letting bedroom subject to a minimum of £50 and a maximum of £150;⁴

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)

- bed and breakfast establishments - £10 for each letting bedroom subject to a minimum of £50 and a maximum of £150;⁵
- 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;⁶ and
- hostels - £1.50 for each bed provided for visitors subject to a minimum of £25 and a maximum of £100.⁷

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'⁸, 'Visit Scotland'⁹ and 'Visit Wales'¹⁰) 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.¹¹ 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.*¹²

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 (accessed 12/08/09)

⁹ Visit Scotland, *Quality Assurance* 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%20Supports/Standards%20and%20Quality/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%20Supports/Standards%20and%20Quality/Registered%20Accommodation/The_Tourist_Traffic_Acts_1939_2003.pdf

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

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)

*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*'.¹⁹

Many of those who were unsupportive of the proposal believed it to primarily be a cost-cutting measure.²⁰

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

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.²²

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.²³

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 (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 *bid*

²⁰ *Ibid*

²¹ *Ibid*

²² *Ibid*

²³ *Ibid*

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.²⁴

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 Board²⁵;
- the English Tourist Board consists of a chairman and not more than six other members appointed by the Secretary of State for Trade;²⁶
- the Scottish Tourist Board consists of a chairman and not more than six other members appointed by the Secretary of State for Scotland²⁷ (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 act²⁸). With Devolution the function of the Secretary of State for Scotland in this regard was transferred to the relevant Scottish Minister²⁹; 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.³⁰ 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.³¹

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 (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 (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-pb1-11q47 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 (accessed 12/08/10)

³¹ Welsh Assembly Government, *Tourism* <http://new.wales.gov.uk/topics/tourism/?lang=en> (accessed 12/08/10)

- 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.³²

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

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)

³³ Department of Enterprise, Trade and Investment, Consultation on policy the tourism (Northern Ireland) Order (Amendment) Bill 2010 (October 2009) http://www.detini.gov.uk/tourism_northern_ireland_order_amendment_bill_2010-2.pdf (accessed 11/08/10)

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*

*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.*³⁹

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.*⁴⁰

³⁶ *Ibid*

³⁷ The Tourism (Amendment) Bill 2010

³⁸ Northern Ireland Assembly Official Report, *Tourism (Amendment) Bill: Second Stage* (29 June 2009) <http://www.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 (s2(4))

⁴⁰ *Ibid* s3(1)

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.⁴¹

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.⁴²

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.⁴³

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.⁴⁴

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

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)

*is appropriate because a key statutory function of the NITB is the encouragement of tourism in Northern Ireland.*⁴⁵

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.⁴⁶

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.*⁴⁷

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*⁴⁸.

⁴⁵ Northern Ireland Assembly Official Report, *Tourism (Amendment) Bill: Second Stage* (29 June 2009) <http://www.niassembly.gov.uk/record/reports2009/100629.htm> (accessed 12/08/10)

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*