

## **10X Performance Management Framework Consultation**

### **Additional Information to online submission provided by the NI Tourism Alliance**

NITA is the representative body for the Tourism Economy in Northern Ireland with our membership spanning the diversity of the of the industry. We are recognised as the Voice for Tourism and our role is to shape policy based on industry insights and expertise to create the environment for tourism to thrive.

We welcome the opportunity to respond to the consultation and we look forward to contributing further as the framework and implementation plans are progressed.

Below is further detail to our online submission.

#### **10X Objectives**

Overall, NITA agree to the high level objectives, but the measurement of success detailed above, we believe, will not ensure that the overall 10X vision is achieved. The Minister stated in his foreword to the 10X Economy Vision that

'A 10x ambition' is about creating a step change in how we think about our economy. It is not a literalist term about increasing a single metric by a factor of ten; instead we are setting an ambitious pathway for fundamental change to our economy and committing to everyone feeling they are part of this transformation'.

We believe that the measurements of success need to incorporate the 'fundamental change' that we want and need to ensure that our economy is resilient and sustainable.

These are very binary targets that will mask underlying structural issues with our economy that the Department are trying to address and therefore even if the targets are met, we will not necessarily meet the overall objective of the 10X Economic Vision.

It is disappointing that there is no overall target about the reputation on Northern Ireland as a destination to visit, work, live and invest in. Tourism has an important role as one of the anchor economic sectors that utilise the assets and resources at our disposal to create exciting and compelling reasons to come to NI. The quality and excellence of our experiences and world class attractions alongside a growing conference and events sector is a magnet for visitors. Having a positive reputation, a society that is proud of itself and its place is hugely important for us to truly achieve the 10X Economic vision.

Looking at the targets:

1. To increase R&D Investment by £640M a year by 2030. This potentially could be achieved by a relatively small number of companies and sectors, but would this take us forward with the overall 10X Economic Vision? For a step-change, more businesses from more sectors will need to be involved. This then will change the thought process around the tier 2 objectives and plans.

2. The objective about household disposable income talks about maintaining NI as one of the top performing SAEs in relation to the Gini-coefficient. It is great to see how NI has reduced inequality as per the Gini-coefficient, but this doesn't correlate with the challenges we face with regard to areas of deprivation, child poverty and fuel poverty. What does this measurement tell us about our economy?
3. Sustainability is more than increasing renewable energy. Waste management, use of water, financial sustainability of businesses, social and community impact are all aspects that should be considered for inclusion within the performance framework. Just measuring our consumption of electricity from renewables does not address the structural issues such as our reliance on oil and is not a good measurement of the success of the 10X economic vision. More consideration needs to be given to a more holistic measurement of sustainability and resilience. The aim of the tourism industry is for NI to be recognised globally as a sustainable destination. This will require a co-ordinated and collaborative approach which has sustainable practice at the core of how we do business.

## **Innovation**

For years the needle has not moved in regard to innovation despite many initiatives and now is the time to look differently at how innovation is communicated and measured.

There is a major education/communication piece on 'what innovation is' and how it applies across all sectors of the economy and not only the priority sectors laid out in the 10X vision. In the tourism industry, there is continual innovation as we adapt to changing environments and visitor needs and expectations. However, businesses are not necessarily articulating it as such and when the department talk about and give examples of innovation, tourism is rarely included.

If we are serious about making a step change and being innovation led, we do not think that these binary targets are ambitious especially over a 7 year period and given the increasing number of businesses being started, it is hard to see how this will move the needle. The number of VAT and/or PAYE registered businesses operating in Northern Ireland in 2022 is estimated to have risen by 1,245 (1.6%) since 2021, to 78,885. Having a target to have 450 more companies involved in R&D by 2030 seems very low.

With regard to targets increasing the number of businesses who are innovation active and those who have an accreditation, the department will need to be clear about the criteria that they are measuring. We should have an ambition that every business is innovative but that does not mean that every business has an accreditation. We want innovation in our DNA. We see innovation in tourism whether that is FinnLough who have innovated to create a more eco-friendly accommodation dome that is now sold globally. Or Titanic Belfast who are undertaking a multi-million gallery refresh which is having to find innovative ways to work with contractors to build the refreshed galleries in situ. During Covid, tourism businesses had to innovate with processes using technology to create new ways of engaging with customers.

We would query the focus on narrow STEM subjects as a driver of innovation. Innovation needs a multi-disciplinary approach bring together different skills, experience and knowledge to enable to understand customer need and be solution driven. Both FE and HE have a role to play, but by focusing on the narrow STEM subjects we are only focusing on one element of innovation.

An innovation mindset should be encouraged throughout the whole of the educational system.

## **Inclusion**

We agree in principle with the objectives laid out above, however there will be a number of factors outside the control of the Department that will impact on whether the targets are achieved.

Understanding the barriers for specific groups in our society, such as childcare provision, will ensure that the Department are able to put a robust plan together on how to achieve these targets and interdependencies with other departmental policies.

Tourism has an important role to play as industry it delivers jobs and spend across the region and provides opportunities for communities to create experiences to attract visitors who spend in the local community.

With regard to the increase in level of qualifications, it is important the Department look at how work experience and work based qualifications will be incorporated into this target.

## **Sustainability**

Sustainability is more than increasing renewable energy. Waste management, use of water, financial sustainability of businesses, social and community impact are all aspects that should be considered for inclusion within the performance framework. Consideration needs to be given to a more holistic measurement of sustainability and resilience. The aim of the tourism industry is for NI to be recognised globally as a sustainable destination. This will require a co-ordinated and collaborative approach which has sustainable practice at the core of how we do business.

Tourism builds on our natural assets and as such is very much aware of environmental and community impact and organisations such as National Trust have led the way on mitigating the impacts of climate change.

Belfast City Council and Visit Belfast have led on sustainability and Belfast is now ranked in the top 20 sustainable cities in the world. The Green Tourism accreditation has been taken up by multiple tourism businesses and is a competitive advantage for Belfast when bidding for international business conferences.

There is a lot of learning that can be harnessed from the tourism industry.

## **Technology, Sector and Cluster Policy**

We would ask the question as to why all policy is not developed in line with the Innovation/Inclusion/Sustainability objectives.

The technology and clusters laid out in the 10X economic vision are an important part of achieving the vision, but recognition has to be given to other key economic drivers, such as tourism that has much to contribute across the 3 main objective areas.

## **Wider 10X Objectives**

There are a lot of metrics included in the section 4 which will require more considered engagement on how these will be measured across different sectors, including Tourism.

- Tourism is an export led industry which generates 70% of direct visitor spend by tourists for outside of NI. Visitors spend this money while here and therefore the benefit is felt immediately within the economy. Yet it is not recognised when strategies and plans are developed for Trade and Export. We would like to see this addressed in the Tier 2 metrics.
- We appreciate the importance of HE to economic growth, however there is also an important role for FE and this needs to be recognised.
- For inclusion, a recognition of qualifications that are achieved through work that may not be accredited within the current identified metric.
- For sustainability, there needs to be broader metrics beyond renewables and climate change.