



Northern Ireland Audit Office

Northern Ireland Tourist Board – Review of the Signature Projects



REPORT BY THE COMPTROLLER AND AUDITOR GENERAL
13 December 2011



Northern Ireland Audit Office

Report by the Comptroller and Auditor General for Northern Ireland

Northern Ireland Tourist Board – Review of the Signature Projects

This report has been prepared under Article 8 of the Audit (Northern Ireland) Order 1987 for presentation to the Northern Ireland Assembly in accordance with Article 11 of that Order.

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Comptroller and Auditor General

Northern Ireland Audit Office
13 December 2011

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Abbreviations

BCC	Belfast City Council
BHC	Belfast Harbour Commissioners
BLF	Big Lottery Fund
DETI	Department of Enterprise, Trade and Investment
EC	European Commission
EU	European Union
IDM	Investment Decision Maker
NITB	Northern Ireland Tourist Board
NISP	Northern Ireland Science Park
OTC	Odyssey Trust Company Limited
PfG	Programme for Government
SRO	Senior Responsible Officer
TFL	Titanic Foundation Limited
TQL	Titanic Quarter Limited

Executive Summary



Executive Summary

Introduction

1. The Northern Ireland Tourist Board (NITB) produced a Strategic Framework for Action (2004–2007)¹, designed to deliver targets for tourism growth set out in the Corporate Plans of both NITB and Tourism Ireland. One of the key strands of the Framework for Action was to ‘Develop Signature Projects’ – ‘a number of areas identified for their potential to deliver world class excellence drawing visitors from home and overseas’. These Signature Projects, which each represent a distinct and unique aspect of Northern Ireland’s landscape, culture or heritage, are: Titanic (Maritime) Belfast; Giant’s Causeway/Antrim and Causeway Coast area; the Walled City of Derry; Christian Heritage/Saint Patrick and the Mourne National Park area². Each Signature Project involves the development of a number of tourist attractions jointly funded by the private and public sectors and were planned for delivery in the short to medium term.
2. Our review was a high level examination of progress on the implementation of the 5 Signature Projects which will cost around £159 million, of which £71 million is public sector funding through NITB. The review, which has been carried out in advance of the completion of the Signature Projects and which is focused towards the larger Projects, identifies a number of lessons and recommendations for the future for NITB, the Department of Enterprise, Trade and Investment (DETI – NITB’s sponsoring Department) as well as a number of areas of good practice to be disseminated to the wider public sector.
3. In our view, the Signature Projects represent the best way forward for tourism development in Northern Ireland. They have the potential to achieve ‘international standout’ for Northern Ireland and to increase the number of tourists. NITB has clearly communicated the key messages of the Signature Projects to stakeholders and project promoters.
4. However, delays have been experienced in the implementation of the Signature Projects. At this point in time, there are two driving routes – Causeway and Saint Patrick’s – Phase I of the Walled City and the Titanic’s Dock and Pump House element of the Titanic Signature Project in place. The two major elements of the Projects, the Titanic Signature Building and the Giant’s Causeway Visitor Centre, are due to complete in March and June 2012 respectively. Development along the Causeway and Saint Patrick’s routes is incomplete. The lack of progress in attaining National Park status for the Mourne has reduced this Signature Project to a coastal route. Signage and development along this route are also incomplete. A number of material projects within Phase II of the Walled City Signature Project also remain to be implemented.
5. The delays and shortfall in delivery are the result of deficiencies in overall project planning, management and governance arrangements; a shortage of funding,

1 NITB (April 2004) ‘Tourism in Northern Ireland: a Strategic Framework for Action 2004 - 2007’

2 To date, the designation of a National Park in the Mourne area remains a proposal

particularly prior to 2008–09; time-limited funding, match funding issues and inadequate programme and project level performance management.

6. As our review was carried out at a time when the Projects are not fully implemented, we are unable to conclude on whether value for money has been achieved. However, there are concerns that the impact of the Signature Projects, which are being implemented in challenging economic times, may fall short of the anticipated 'step change' in the performance of the tourism sector in Northern Ireland. In particular, the value for money achievable by the Titanic Signature Building and the sustainability of the Giant's Causeway Visitor Centre are not guaranteed.

Main findings

Project planning, management and governance arrangements

7. The Signature Projects were first identified in NITB's Strategic Framework for Action (2004–2007). As an aspirational document, the Framework provided little detail in terms of the expected scope and content of the Signature Projects, how they were to be implemented or the timescale over which they were to be realised.
8. The overall Signature Project concept was never formally translated into detailed action plans. Instead, the individual Signature Projects have been developed incrementally, informed by a number of

wider economic and social development plans and consultancy input. These in turn led to individual project applications from project promoters. In the absence of clear definition at the outset of the Signature Projects Programme, it is extremely difficult to determine whether what was originally intended has ultimately been delivered.

9. Overall project management and governance arrangements at the strategic level were deficient, in that no overarching project board was established with responsibility for the direction and monitoring of the Signature Projects Programme as a whole. Operational level project management and governance arrangements were, however, put in place in relation to a number of the separate Signature Projects and individual projects including the Titanic Signature Building and the Giant's Causeway Visitor Centre.

10. DETI and NITB do not share this view. They never considered the Signature Projects as one programme. Their view is that because of the complexities arising from the nature and scale of the Projects, it would not have been possible to manage them as a single programme.

Funding

11. Despite being identified in 2004, and being aligned to NITB's corporate targets for tourism growth, no specific funding was identified for the implementation of the Signature Projects at their outset. While early development was facilitated through NITB diverting some funds from

Executive Summary

its tourism development budget, up to 2008–09 only £5.7 million was made available for the implementation of the Signature Projects. This lack of funding restricted their initial progress.

12. The Signature Projects did not obtain material funding until 2008–09 when around £70 million was allocated through the Programme for Government (PfG) (2008–2011). Funding through the PfG provided the necessary impetus to the Signature Projects, without which they could not have been implemented in any significant manner. However, because PfG funding did not cover the Walled City Project, implementation of a number of elements of this Project have been hampered by the cessation of its alternative funding source after March 2008. Our discussions with project promoters also identified delays in the implementation of individual projects as a result of difficulties in obtaining match funding.
13. An element of the PfG funding earmarked for the Signature Projects is to be sourced from the European Union (EU). However, DETI is experiencing problems in obtaining EU funds for the largest single element of the Signature Projects – the Titanic Signature Building. An application for EU funding of €24 million has been queried by the European Commission (EC), on grounds of lack of competition in relation to the procurement of the construction of the Building. DETI and its legal advisers are engaging with the Commission and its legal advisers. DETI has advised that if its legal arguments are

unsuccessful, it will provide the required funding from other sources.

Performance management

14. Overall performance management has been inconsistent at every level of the Signature Projects. No overarching plans were developed for the overall Signature Projects Programme, and as a result no strategic level targets were set. Those objectives and targets which have been set by DETI and NITB have lacked clarity and definition. DETI and NITB have stated that they never considered the Signature Projects to be a single programme (as noted at paragraph 10). However, without clearly defined targets it is difficult to assess the effectiveness of performance management and to determine whether the impacts of the Signature Projects have been realised.
15. A number of evaluations of the individual Signature Projects identified a lack of SMART objectives and targets (those that are Specific, Measureable, Achievable, Relevant and Time Bound).

Value for money/sustainability

16. The two largest single elements of the Signature Projects, the Titanic Signature Building and the Giant's Causeway Visitor Centre are not scheduled to open to the public until April and July 2012 respectively. Whether these Projects represent value for money can only be assessed fully after they have been implemented and their impact measured. Our review has identified a number of

issues which may affect their value for money, impact and sustainability.

are made aware of what is on offer. Consequently, effective promotion and marketing will be vital in realising the economic potential of the Signature Projects.

17. The Titanic Signature Building will cost the public sector £60 million, but will be more expensive and deliver less financial benefits than a proposed alternative attraction at the Odyssey Arena Complex. The Titanic Signature Building is also relatively expensive to build compared to other visitor attractions.
18. As a result of the economic downturn, large parts of the Titanic Quarter are currently undeveloped. This situation is unlikely to change for some time. When completed in March 2012, the Titanic Signature Building and the other Titanic heritage assets, will be surrounded by many acres of undeveloped brownfield land. This will detract from the Signature Building's appeal to tourists and will limit the overall impact of the Signature Project.
19. There is a risk that the Giant's Causeway Visitor Centre will not achieve financial sustainability. If its operating revenues fall short of those projected, as a result of fewer paying visitors, the Centre may be unable to cover its costs and fulfil its wider objectives for the conservation of the World Heritage Site and support for tourism development in the area.
20. Increasing visitor numbers and visitor spend in order to secure the potential economic benefits associated with the development of the Signature Projects is the key success factor for the Programme. Increased visitor numbers can only be achieved where potential visitors

Part One: Introduction



Part One:

Introduction

Introduction

- 1.1 The Northern Ireland Tourist Board (NITB) is a Non-Departmental Public Body (NDPB) of the Department of Enterprise Trade and Investment (DETI). NITB is responsible for the development of the tourism experience in Northern Ireland; the promotion and marketing of Northern Ireland as a tourist destination in the Republic of Ireland and Northern Ireland markets; and for providing policy advice to DETI. In doing so, it works closely with Tourism Ireland Ltd³ which is responsible for marketing the island of Ireland in Great Britain and overseas. DETI is the lead Department for tourism and plays a crucial role in formulating and delivering economic development policy in terms of enterprise, social economy, innovation, energy, telecommunications and tourism.
- 1.2 NITB produced a Strategic Framework for Action (2004–2007) in which it identified 10 Action Programmes designed to deliver targets for tourism growth in line with its Corporate Plan (2002–2005) and Tourism Ireland's Corporate Plan (2002–2004). The NITB plan included a 7 per cent year-on-year increase in Out-of-State (i.e. outside Northern Ireland) visitors to 2.05 million and a 9 per cent year-on-year increase in Out-of-State visitors spend to £365 million by December 2005. One of the Action Programmes was to 'Develop Signature Projects' – 'a number of areas identified for their potential to deliver world class excellence drawing visitors from home and overseas'. It was planned that these investment intensive projects would

achieve 'international standout' and have a significant impact on Northern Ireland's tourism performance.

- 1.3 The Strategic Framework for Action (2004–2007) identified a number of best prospect Signature Projects to progress in the short to medium term:
- Titanic (Maritime) Belfast;
 - Giant's Causeway/Antrim and Causeway Coast area;
 - The Walled City of Derry;
 - Christian Heritage/Saint Patrick; and
 - Mourne National Park area.

Each Signature Project reflects a distinct and unique aspect of Northern Ireland's landscape, culture or heritage.

- 1.4 The first material capital funding for the Signature Projects was through the Programme for Government (PfG) (2008–2011)⁴ when around £70 million was allocated. In 2010 DETI produced an ambitious Draft Tourism Strategy for Northern Ireland to 2020 with a vision to 'Create the new Northern Ireland experience and get it on everyone's destination wish list'. There is also a clear desire to ensure that the people of Northern Ireland are part of the success story and benefit from growth. The strategic target has been designed to balance these objectives: 'Northern Ireland has set its sights high. We will double the income we earn from tourism

3 A North/South Implementation Body set up as part of the Good Friday Agreement (1998)

4 A Northern Ireland Executive Programme which outlined Government plans and priorities for the period 2008–2011

by 2020. We will work together to grow tourism for the benefit of all'.

Centre are due to complete in March and June 2012 respectively.

- 1.5 This is to be achieved by increasing visitors (domestic and Out-of-State) from current annual levels of 3.2 million to 4.5 million by 2020 and increasing earnings from all tourism activity from £536 million (2010 forecast in the Draft Tourism Strategy) to £1 billion by 2020. Given the current challenging economic conditions, these figures are ambitious. DETI states that the targets will only be achieved through the efforts of individual businesses, supported by Government and its Agencies. The successful implementation of the five Signature Projects is seen as a catalyst for the Strategy. However, despite these being identified in 2004, none have been fully implemented some seven years later. Indeed the major elements of the Signature Projects – the Titanic Signature Building and the Giant's Causeway Visitor

Scope of the study

- 1.6 This study is designed to enable a high-level review on the implementation of the Signature Projects (which will cost around £159 million, of which £71 million is public funding through NITB – see **Figure 1**). We have identified lessons for the future for NITB, DETI and the wider public sector when embarking on major capital projects and also draw out areas of good practice.
- 1.7 In addition to the £159 million investment in tourism infrastructure supported through NITB – the Signature Projects, NITB estimates that some £300 million has also been invested in ancillary regeneration by other public bodies such as the Department for Social Development and

Figure 1 Overall Signature Project costs

Signature Projects	No. of Projects	Total Project Cost	NITB Funding
		£m	£m
Titanic (Maritime) Belfast	6	92	40
Giant's Causeway/Antrim and Causeway Coast area	42	27	13
The Walled City of Derry	19	27	13
Christian Heritage/Saint Patrick	21	8	2
Mournes National Park area	18	5	3
Total	106	159	71

Source: NITB

Part One: Introduction

local councils. This includes, for example, public realm improvements at Newcastle promenade, Downpatrick town centre, Belfast City centre and within the Walled City of Derry. This wider investment, while improving areas in which the Signature Projects are situated, however, falls outside the scope of this study.

- 1.8 As well as reviewing NITB and DETI documentation and carrying out interviews with staff in both organisations, we undertook an extensive project promoter and stakeholder consultation exercise. This involved interviews with many of the project promoters directly involved in the Signature Projects and engaging with wider industry stakeholders through a stakeholder questionnaire. As part of this process we also carried out a number of site visits to the Signature Projects. We were supported in this study by Professor Stephen Boyd, Professor of Tourism at the University of Ulster who acted as a Reference Partner. Professor Boyd participated in a number of site visits, project promoter interviews and contributed to the wider industry stakeholder questionnaire.

- 1.9 The Report is structured as follows:

- Part Two examines the history and progress on the implementation of the Signature Projects; and
- Part Three identifies the main lessons from our review, grouped thematically in the areas of concept, content, funding, delivery and impact/value for money.

The Appendices contain the position on all Signature Project elements in early September 2011 and a detailed report on the major themes emerging from our project promoter and stakeholder analysis.

As our review was carried out at a time when the Signature Projects are not fully implemented, we have not made a definitive statement on the value for money achieved.

Part Two: The Signature Projects: History and Progress on Implementation



Part Two:

The Signature Projects: History and Progress on Implementation

The Signature Projects are being implemented in challenging economic times

2.1 As a prelude to examining the history and progress on the implementation of the Signature Projects, it is useful to put tourism in Northern Ireland in perspective. The Northern Ireland Executive and DETI have attached a priority to the tourism sector, reflecting the view that there is considerable scope to boost the contribution tourism makes to the economy. Although revenue generated by the tourism sector has almost doubled in Northern Ireland since the mid-1990s, its direct contribution to the economy (2.1 per cent) remains much less than the United Kingdom (4.0 per cent)⁵. Under the current Tourism Public Service Agreement (2008-2011)⁶, DETI has three clear objectives:

- to enhance Northern Ireland's tourism infrastructure;
- to promote the growth of the tourist sector through specific actions to develop an environment of long-term sustainable competitiveness and climate of entrepreneurship within the industry; and
- to target growth within specific sectors as key drivers (business tourism, activities tourism, culture and heritage, and events).

2.2 The targets set to measure achievement of these objectives were:

- to increase tourism revenue from Out-of-State visitors to £520 million by 2011 from baseline revenue of £370 million in 2006; and
- to increase the number of Out-of-State visitors each year to 2.5 million by 2011 from a baseline of 1.98 million in 2006.

2.3 The changing economic environment since 2008 has had a significant impact on the tourism industry in Northern Ireland. **Figure 2** outlines Out-of-State visitor trips and revenue generated:

Figure 2 Total Out-of-State visitors 2004–2010

Year	Trips (000's)	Revenue (£m)
2004	1,985	313
2005	1,972	357
2006	1,979	371
2007	2,107	376
2008	2,076	396
2009	1,918	337
2010	1,774	336

Source: NITB

Note: 2010 details reflect estimated figures

2.4 **Figure 2** shows that visitor figures for 2008 remained robust, and despite small declines in trips, total revenue continued to increase. There was a dramatic change in 2009 when there was a decline of 8 per cent for trips and a 15 per cent drop in total spend from visitors. This was followed by a further 8 per cent decrease

⁵ Deloitte (June 2010) 'The Economic Contribution of the Visitor Economy: UK and the Nations'

⁶ DETI Public Service Agreement (PSA) 5: To develop our tourism sector and promote Northern Ireland as a must-see destination to facilitate growth in business and leisure visitors

in trips in 2010, although revenue generated remained largely similar. If ambitious targets set by DETI are to be met (see paragraphs 1.4 and 1.5), this decline has to be reversed.

- 2.5 It is clear that the Signature Projects are being implemented in challenging economic times. They will therefore need to be sufficiently appealing and different to attract tourists and to make the planned significant contribution to the local economy through tourism growth. Effective marketing and promotion of the Signature Projects, in Northern Ireland and abroad, will have an important impact on their ultimate success.

Signature Projects but none are complete. One Signature Project (Saint Patrick's) is expected to complete by the end of 2011-12, while three others (Titanic, Giant's Causeway and the Mournes) are anticipated to conclude in 2012-13. The completion date for the Walled City Signature Project is not clear as two projects have yet to finalise their funding arrangements. The two largest individual projects, the Titanic Signature Building and the Giant's Causeway Visitor Centre, which represent around 65 per cent of overall Programme costs and NITB funding, are not expected to complete until 31 March 2012 and 30 June 2012 respectively.

The major elements of the Signature Projects will not be completed until 2012

Progress to early September 2011 is summarised at **Figure 3** below:

- 2.6 There have been varying degrees of progress in the implementation of the

Figure 3 Summary of progress on Signature Projects (at early September 2011)

Signature Project	Progress to Date	Expected Completion Date	Report Paragraph Reference
Titanic (Maritime) Belfast	<p>3 of the 6 projects funded by NITB are complete including Titanic's Dock and Pump House (formerly known as Thompson Dock), in October 2009.</p> <p>Of the remaining projects, which are incomplete, the largest single element, the Titanic Signature Building (which represents over 90 per cent of overall project costs and NITB funding) is planned for completion at the end of March 2012.</p> <p>A further project, the restoration of the S.S. Nomadic, is not expected to complete until 30 June 2012.</p>	30 June 2012	2.16 – 2.25

Part Two:

The Signature Projects: History and Progress on Implementation

Signature Project	Progress to Date	Expected Completion Date	Report Paragraph Reference
Giant's Causeway/Antrim and Causeway Coast area	<p>29 of the 42 projects funded by NITB have been completed including the implementation of the Causeway Coastal Route, in March 2009, together with improvements to a number of other attractions and sites along the Coastal Route (for example construction of a caravan park and amenity block at Jordanstown Loughshore, completed in April 2011; refurbishment of the Promenade at East Strand, Portrush in June 2011; and upgrading of visitor information/interpretation panels and seating etc. at Carrick-a-rede, in August 2011).</p> <p>The largest single element, the Giant's Causeway Visitor Centre, is planned for completion by 30 June 2012.</p>	30 June 2012	2.26 – 2.33
The Walled City of Derry	<p>Phase I of the Walled City Project is complete. This comprised 10 individual projects including the restoration of the City Walls together with signage and interpretation, and refurbishment of the Tower Museum.</p> <p>Phase II, which is centred around a built heritage programme, restoring 7 historic buildings, and the implementation of a Lighting Strategy is partially complete. While progress on this phase of the project has been restricted due to lack of ring-fenced funding, by June 2011, 3 of the 7 built heritage projects were complete (Saint Columb's Cathedral, the Playhouse Theatre, and First Derry Presbyterian Church).</p> <p>2 of the remaining historic building projects together with the Lighting Strategy are planned to complete by 31 March 2012. The other 2 projects (restoration of the Guildhall and the Apprentice Boys Hall) are yet to be issued with a NITB letter of offer and so their completion date is unknown.</p>	Not yet determined	2.34 – 2.38
Christian Heritage/Saint Patrick	Route signage for the Saint Patrick's Trail was completed and the trail launched in 2009.	31 March 2012	2.39 – 2.41

Signature Project	Progress to Date	Expected Completion Date	Report Paragraph Reference
Christian Heritage/Saint Patrick (continued)	<p>Development of the other 20 projects to improve and redevelop sites and attractions along the route is partially complete.</p> <p>10 projects are complete including the restoration of The Registry (Armagh), improvements to viewing facilities at Downpatrick and Ardglass Railway and upgrading of visitor facilities at numerous sites along the Trail.</p> <p>The 10 remaining projects are planned for completion by March 2012.</p>		
Mournes National Park area	<p>13 of the 18 projects which make up this Signature Project are complete, for example viewing points at Dundrum and the installation of a number of pieces of Public Art.</p> <p>3 of the outstanding projects are planned for completion by 31 March 2012. The other projects, including the development of the Mournes Coastal Route (which links many of the sites/attractions in the area) and the largest element, the development of mountain biking trails at Castlewellan and Rostrevor, are planned for completion by 31 March 2013.</p> <p>There has been no progress on designation of the area as a National Park.</p>	31 March 2013	2.42 – 2.43

Source: NIAO

A fuller detail on the content of the Signature Projects is provided at **Appendix 1**.

The Strategic Framework for Action (2004–2007) was not funded and the Signature Projects were developed incrementally

2.7 The Signature Projects were first identified in NITB's Strategic Framework for Action (2004–2007) (see paragraphs

1.2–1.3). However, no specific funding was identified for implementation of the Strategic Framework, despite being aligned to NITB's corporate targets for the growth of tourism at that time (see paragraph 1.2).

2.8

The early development of the Signature Projects was facilitated through the use of a number of funding sources administered by NITB (for example Tourism Development Scheme, International

Part Two:

The Signature Projects: History and Progress on Implementation

- Fund for Ireland and European Peace II monies). The funds allocated to the Signature Projects by this process (to 2008–09) totalled only £5.7 million (see paragraph 3.17).
- 2.9 The Strategic Framework was an aspirational document and no plan was developed for the implementation of the Signature Projects. Instead, the Projects have been developed incrementally. While some product delivery was achieved up to 2008–09, only after the injection of £70 million funding under the PfG (2008–2011) have the majority of projects been taken forward in any significant manner.
- 2.10 DETI and NITB told us that, in their view, as an aspirational document, the Strategic Framework for Action was not a strategy with actionable detail and that the allocation of resources to the Signature Projects was a matter for Ministers.
- 2.11 Project management and governance arrangements at a strategic level on the Signature Projects have not followed best practice. No overarching project board was established with responsibility for the direction and monitoring of the overall Signature Projects Programme. DETI and NITB, however, told us that the Signature Projects were never considered as a single programme and that because of the complexities arising from the differences in the nature and scale of the separate Signature Projects that it would not have been feasible to manage them as an integrated programme.
- 2.12 Operational level project management mechanisms were, however, put in place in relation to a number of the separate Signature Projects and individual projects (notably on the Titanic Signature Building and Giant's Causeway Visitor Centre). Over time, the direction of the individual Signature Projects have been informed by a number of wider economic and social development plans and consultancy assignments supported by NITB (for example the Walled City of Derry Public Realm Plan). These have identified development needs, priorities, individual project definition and scoping towards grant application by project promoters.
- 2.13 DETI had a direct involvement in the two largest individual projects, the Titanic Signature Building and the Giant's Causeway Visitor Centre, taking the lead in the development of these projects to the point where grant support was agreed. Responsibility for ensuring the delivery of the projects through project promoters passed to NITB when they moved into the construction phase.
- Substantial progress has now been made in implementing the Signature Projects**
- 2.14 Overall, little early progress was made between 2004 and 2008, due mainly to limited funding. While some small progress was made in relation to each Signature Project, the main progress involved the major elements of Phase I of the Walled City Project, together with the creation of the Causeway Coastal

Route and Saint Patrick's Trail. Progress since then has been facilitated through the injection of a significant level of dedicated funding in the PfG (2008-2011). However, while progress has been made, no individual Signature Project has been completed fully (see paragraph 2.6).

- 2.15 The history and progress on the implementation of each of the five Projects is summarised in the following paragraphs. Our review focused on the areas of major expenditure such as the Titanic Signature Building within the Titanic Signature Project and the Giant's Causeway Visitor Centre within the Giant's Causeway Signature Project.

Titanic (Maritime) Belfast

- 2.16 This Project is based on the Titanic and maritime Belfast heritage theme. It will drive the investment of over £90 million (including around £62 million public funding, of which around £40 million is through the NITB). At the centre of this Project is a 'world class' visitor attraction, the Titanic Signature Building. It will be located in the heart of Titanic Quarter, Belfast and is due to complete in March 2012, to mark the centenary of the maiden voyage and the loss of the R.M.S. Titanic. It will showcase the story of the Titanic and the wider theme of shipbuilding and seafaring in Belfast.
- 2.17 As well as the Titanic Signature Building, the Titanic Signature Project also includes a number of authentic heritage assets, including those directly linked to the ship:

- Titanic and Olympic Slipways;
- Harland & Wolff Headquarters and Drawing Offices;
- S.S. Nomadic & Hamilton Dock; and
- Titanic's Dock and Pump House.

The Project also includes a floating maritime museum, the Lagan Legacy, moored on the River Lagan. Progress on the main projects is outlined at **Appendix 2**.

- 2.18 The Titanic Signature Project will form part of a major urban regeneration project. The Belfast Harbour Commissioners (BHC), who own the land at Titanic Quarter, leased 185 acres to Titanic Quarter Ltd (TQL), a company set up for this development. Part of the lease agreement gives TQL exclusive development rights in the area. TQL are in the process of transforming the area into one of the largest waterfront developments in Europe. It is envisaged that the development will have over 7,500 new apartments as well as business, leisure, tourism and education facilities. The development is expected to create at least 25,000 new jobs in the long term. However, general progress on construction within the Titanic Quarter has slowed considerably due to the current economic downturn.

Titanic Signature Building

- 2.19 A timeline, identifying major events in the development of the Titanic Signature

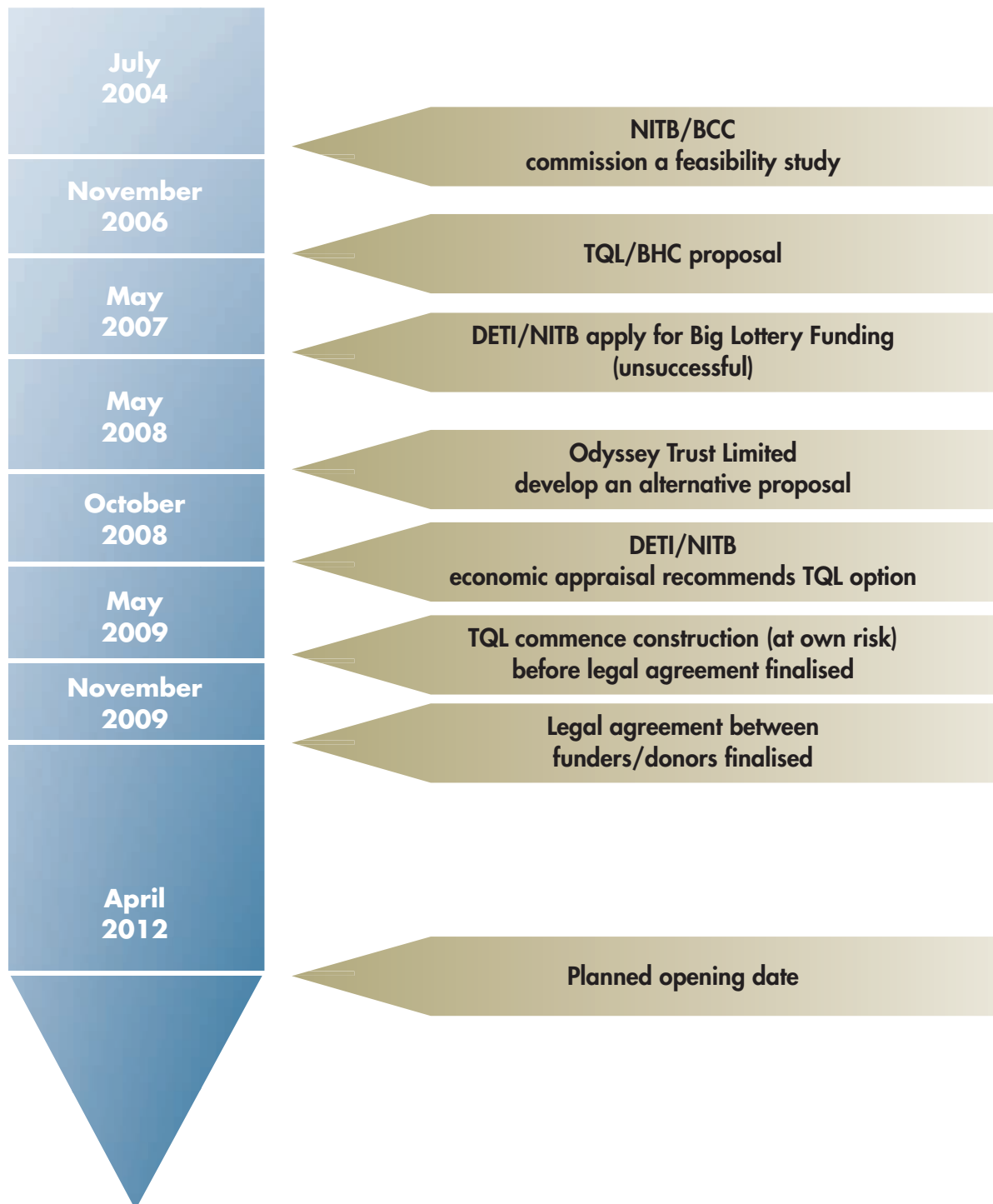
Part Two: The Signature Projects: History and Progress on Implementation



Building is outlined at **Figure 4**. In 2004, NITB and Belfast City Council (BCC) commissioned a feasibility study for the Titanic Signature Project. In November 2006, the Signature Building was proposed by TQL and BHC in response to the NITB Strategic Framework for Action (2004-2007). DETI and NITB applied for Big Lottery Fund (BLF) support of £25 million in May 2007, with £65 million being funded from TQL/BHC/DETI.

over £250,000 of private sector funds. However, the project was not successful at the second stage. DETI stated that despite this, the process had presented the opportunity to develop the project business case and secure public and private sector buy-in to taking the proposal forward. DETI continued to work with TQL and further developed the concept of the Titanic Signature Building which would include an interactive exhibition, a theatre and a Titanic-themed banqueting suite for 750 guests. The proposed cost – £91.7 million – would be funded by TQL (£41.7 million), BCC (£10 million) and DETI (£40 million).

- 2.20 The application to BLF was successful at the first stage, being one of three successful applications in Northern Ireland, with £250,000 awarded to develop the project. This was matched by

Figure 4 Timeline on progress on the Titanic Signature Building

Source: NIAO

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2.21 In May 2008, an alternative option emerged. Following meetings between management of The Odyssey Trust Company Limited (OTC) and representatives of several Northern Ireland Government Departments, OTC produced a business case for a visitor attraction. It was to be constructed at the Odyssey Arena Complex, Queen's Quay, Belfast in time for the Titanic's centenary celebrations in 2012. It is important to note that this site is not within the control of BHC or TQL. The proposal included extending the Odyssey Arena to include a Titanic attraction, Titanic and Belfast maritime history exhibitions and banqueting and conferencing facilities for 800 guests. The private funders were willing to inject £7 million and requested public funding of £39.4 million.

2.22 DETI/NITB commissioned an economic appraisal to assess the options for a Titanic Signature Building. These included a small visitor centre at Titanic's Dock, a medium/large scale attraction housed in the Harland & Wolff Headquarters Building, through to the TQL and OTC options described above. The appraisal was completed in October 2008 and concluded that the TQL proposal was the preferred option.

2.23 In November 2008, the Northern Ireland Executive agreed in principle to fund the TQL option and authorised DETI to draw up legal agreements with TQL. This agreement, signed in November 2009, detailed the corporate entity required to deliver the project in the most efficient way both financially and operationally.

This resulted in the Titanic Foundation Limited (TFL), a registered charity established by the project funders and donors – DETI, NITB, BCC, BHC and TQL. On signing the legal agreement, ownership of the project passed to TFL and a governance structure was put in place to ensure the independence of TFL from the funders and donors (see **Appendix 3**). In order not to jeopardise the March 2012 completion of the Titanic Signature Building, TQL commenced work on the project in May 2009 at its own risk, before the legal agreement was signed.

2.24 The legal agreement defined the funding for the Titanic Signature Building. This is outlined in **Figure 5**:

Figure 5 Funding for the Titanic Signature Building

Funder / Donor	£ million
DETI / NITB	36.95
TQL	16.35
Belfast Harbour Commissioners	13.60
Belfast City Council	10.00
Total	76.90

Source: NITB

2.25 The construction of the Signature Building is on course for completion in March 2012. At 30 September 2011, £65 million had been certified for payment for work completed. However, there is an ongoing issue with funding. DETI applied for €24 million European Union (EU) funding under the European

Commission (EC) Competitiveness Programme, but the Commission have questioned this application because, in their view, there is a lack of competition in the tendering for the construction of the Signature Building. We discuss this issue further in paragraph 3.19.

Giant's Causeway/Antrim and Causeway Coast area

2.26 This Signature Project is designed to improve the tourism infrastructure along the Antrim and Causeway Coasts and Northern Ireland's principal tourist attraction, the Giant's Causeway. The main aspects of the Project result from a joint Ministerial Initiative launched in April 2003 by the then DETI and the Department of the Environment Ministers⁷.

2.27 The Project consists of three elements:

- a new visitor centre at the Giant's Causeway;
- a signed driving route – the Causeway Coastal Route; and
- tourism infrastructural improvements at a number of key tourism sites along the coastal route.

Total costs for the Project are around £27 million, with NITB funding of £13 million. The major cost item is the new visitor centre.

2.28 The Giant's Causeway Visitor Centre has a long history. The previous visitor centre was destroyed by fire in 2000 and temporary facilities have been in operation since then. The 2003



Artist's impression of the new Giant's Causeway Visitor Centre.

⁷ A three stranded approach incorporating the development of a Tourism Masterplan for the Causeway Coast and Glens region, a Management Plan for the new Giant's Causeway World Heritage Site and the provision of a new visitor centre at the Giant's Causeway

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Ministerial Initiative was launched as a result of the failure of the centre's key stakeholders (National Trust and Moyle District Council) to reach agreement on its replacement. It planned to provide new facilities by Easter 2006. However, the DETI/NITB developed facility was stalled because of Government's withdrawal from the project as a result of planning and funding issues associated with a proposed alternative private sector facility.

- 2.29 Ultimately, planning was refused for the private sector facility. Following this, negotiations between DETI/NITB and the National Trust resulted in the development of the current Project, to be constructed and operated by the National Trust and to complete by 30 June 2012. The overall cost of the new Giant's Causeway Visitor Centre is £18.5 million, funded as outlined in **Figure 6**:

Figure 6 Funding for the Giant's Causeway Visitor Centre	
Funder	£m
NITB	9.25
Heritage Lottery Fund	3.00
National Trust	6.25
Total	18.50
<i>Source: NITB</i>	

- 2.30 The development of a signed 'world class' tourist trail was considered fundamental to the visitor experience within the region, and formed a key proposal of the Causeway Coast and

Glens Masterplan launched in 2004. The route navigates over 80 miles, passes through 10 local council areas and incorporates 9 scenic inland routes and 3 Areas of Outstanding Natural Beauty. NITB provided around £630,000 towards the £700,000 total cost.

- 2.31 The tourism infrastructure improvements at around 40 sites along the Route (the majority in local council ownership) are estimated to cost around £8.6 million, supported by NITB grant of around £4.1 million. Examples include the construction of a caravan park and associated amenities at Jordanstown Loughshore, the upgrade of parking, seating and interpretation panels at Ballintoy Harbour, and physical improvements to the Promenade at East Strand, Portrush.
- 2.32 A number of these infrastructure projects, financed through pre-PfG (2008-2011) funds were completed between 2006-07 and 2008-09 including the creation of the Causeway Coastal Route. All other infrastructure projects (32 in total), which were funded through the PfG (2008-2011), were intended to be completed by 31 March 2011. While 20 of the 32 projects are now complete, only 6 were completed prior to the 31 March 2011 target. The 12 projects which remain incomplete are planned to complete by 31 March 2012.

- 2.33 Construction at the Giant's Causeway Visitor Centre commenced in September 2010. In November 2010, temporary visitor servicing and car parking facilities were completed and work

commenced on the construction of the new Visitor Centre, which is planned to complete by 30 June 2012.

The Walled City of Derry

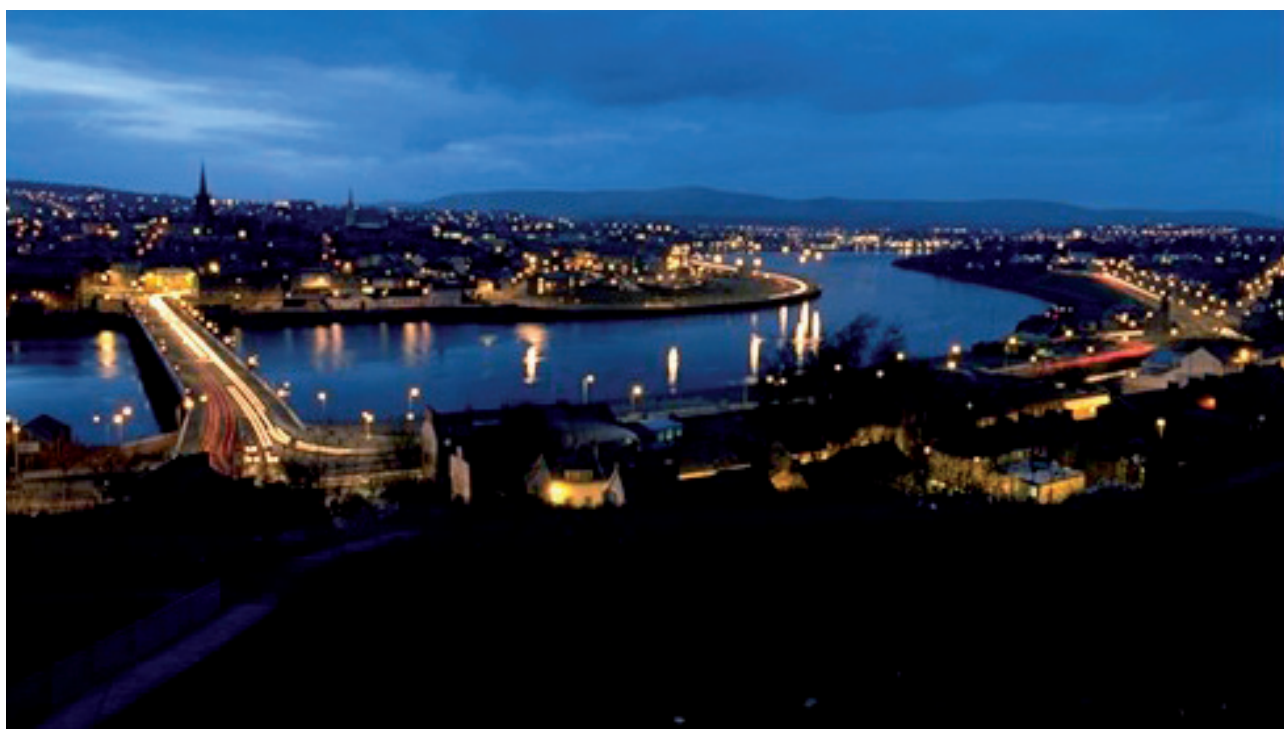
2.34 The Walled City Signature Project reflects the regeneration of the City of Londonderry as a visitor attraction, based around the theme of the City's historic walls and its archaeological and cultural heritage. The Walled City of Derry is one of the most complete within the British Isles and the only complete walled city in Ireland.

2.35 The Project, which has been informed by a Public Realm Plan jointly commissioned by NITB and Derry City Council in 2004, incorporates the refurbishment

and redevelopment of a number of key visitor attractions and built heritage assets within the Walled City. It was planned to be implemented in two phases.

Phase I consists mainly of visitor signage and orientation around the walls, the refurbishment of the Tower Museum and the development of a conservation and management plan. It was estimated to cost around £5 million, with just under £3 million provided through NITB. Phase II includes a built heritage programme incorporating 7 historic buildings, a Lighting Strategy and a Business and Cultural Animation Programme. It was estimated to cost around £22 million, with NITB funding of around £11 million.

2.36 Phase I of the Walled City Signature Project benefited from a significant share of pre-PfG (2008-2011) funding made



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available through NITB. This enabled the completion of the main aspects of this phase of the Project by 2007. Within Phase II, the Business and Cultural Animation Programme was completed in July 2009 and 3 built heritage projects were completed by June 2011. Four built heritage projects and the implementation of the Lighting Strategy, representing just over half of Phase II (in terms of number of projects, project cost and NITB grant), remain outstanding.

- 2.37 The delivery of Phase II has been hampered by a lack of dedicated funding. Unlike the other Signature Projects, the Walled City Project was not covered in the PfG (2008–2011). Instead, this Signature Project was intended to be supported through the Integrated Development Fund⁸. As support from this source ceased in March 2008, additional funding, on a project by project basis, has been sought through the Northern Ireland Executive's quarterly budget monitoring rounds.
- 2.38 NITB has indicated that it has secured funding in its budget for the period 2011–12 to 2014–15 to support the completion of the Walled City Project. As a result, the Lighting Strategy and two of the outstanding built heritage projects have now secured funding and are planned for completion by 31 March 2012. However, the two remaining built heritage projects have yet to secure funding from NITB. As a result, it is unclear when these projects are likely to complete.



Christian Heritage/Saint Patrick

- 2.39 The Saint Patrick's Signature Project is focused around the development of a driving trail together with infrastructural development at a large number of key attractions and sites along the Saint Patrick's Trail. The Trail represents 'a 92-mile signed driving route from Bangor to Armagh which ties together key sites in the region which have a strong link to Saint Patrick's life, legacy and landscape'⁹. Around 20 designated sites and attractions are earmarked for development. The overall cost of the Project is around £8 million, of which over £2 million will be funded through NITB.



⁸ A cross-departmental fund operated through the Office of the First Minister and Deputy First Minister

⁹ NITB Annual Report 2009-10

2.40 The signage for the driving route (planned to cost £260,000, of which NITB funded £200,000) was completed in 2009. Of the 20 infrastructure projects, originally planned for completion by 31 March 2011, 10 are now complete, although only 6 were actually completed by 31 March 2011. Our discussions with project promoters indicated that this end date drove the work on some projects, in terms of scaling back and implementing what was practical in the period remaining. This situation has been complicated further by problems of match funding for promoters (see paragraph 3.22) and funding risks as a result of project delays and the absence of end-of-year flexibility (see paragraph 3.20).

2.41 The 10 remaining projects, which represent around 40 per cent of total project costs and nearly 60 per cent of NITB funding, are expected to be completed by 31 March 2012.

Research has indicated that attaining this has distinct marketing advantages and can attract more tourists. However,, despite NITB championing the National Park, when plans went out to consultation in 2006 local business interests mounted a successful ‘No’ campaign. Having failed to attain National Park status, the Project was amended and is now, similar to the Saint Patrick’s Project, broadly focused around the development of a driving trail - the Mourne Coastal Route – together with infrastructural development at key sites and attractions along the Route. Other aspects of the Project include the development of mountain biking trails at Castlewellan and Rostrevor and a number of pieces of Public Art. Overall the Project is expected to cost around £5 million, with NITB support of around £3 million.

2.43 Originally planned for completion by 31 March 2011, 13 of the 18 projects supported by NITB are now complete, although only 2 were actually completed by 31 March 2011. The 5 outstanding projects are now expected to complete by 31 March 2013 (3 projects by end March 2012 and 2 projects by end

Mourne National Park area

2.42 The original intention of this Project was to attain National Park status for the area.



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March 2013). The latter projects are the mountain biking trails (the single largest element of the Mourne Project at around 40 per cent of overall costs and 50 per cent of NITB grant) and the Mourne Coastal Route signage project.

Part Three: The Signature Projects: Review Findings



Part Three:

The Signature Projects: Review Findings

3.1 In examining progress in the implementation of the Signature Projects, we have grouped our findings under a number of separate themes:

- Concept;
- Content;
- Funding;
- Delivery; and
- Impact/Value for money.

Concept

The Strategic Framework for Action (2004–2007) did not define the Signature Projects sufficiently

3.2 The concept of the Signature Projects was first identified within the NITB Strategic Framework for Action (2004–2007). However, this document did not define the Projects sufficiently; at this point, they were conceived as an aspirational idea. An evaluation of the Strategic Framework for Action carried out in 2007¹⁰, identified a number of issues relevant to the Signature Projects:



¹⁰ DETI (Nov 2007): 'DETI Evaluation of Strategic Framework for Action'

- despite being a top priority, development of the Signature Projects has been slow;
- as an aspirational document, there was an overall lack of focus on managing performance and delivery, inadequate implementation structures and inappropriate performance measures (action rather than outcome focused);
- a lack of commitment and urgency in implementation among key stakeholders – Signature Projects were seen as belonging to NITB. In particular, public sector bodies did not work together to integrate their approaches; and
- a lack of progress on Signature Projects – *‘there have been mixed performance across the Signature Projects. The projects with the greatest potential to contribute to increased visitor numbers and spend have not been delivered during the course of the original Strategic Framework for Action’*. Specific concerns were raised about the lack of progress on the Giant’s Causeway Visitor Centre – work had not commenced despite expected delivery by 2006. It also highlighted the failure of the Titanic Signature Project to secure Big Lottery funding as a negative impact on stakeholder belief in the overall Strategic Framework.

The Department and NITB, however, told us that, as an aspirational document, the Strategic Framework was not a strategy with actionable detail, and could therefore not be expected to fully define project content.

3.3 Instead of the Signature Projects progressing from agreed and resourced action plans, with oversight by a strategic project board, progress was disjointed and piecemeal. Projects were progressed by consultancy input, leading to individual applications for funding to NITB from project promoters. This approach meant that the transformation of the concept of the Signature Projects to delivery on the ground was much delayed.

3.4 The Department and NITB, however, told us that the Signature Projects were never considered as a single Programme, that the five Signature Projects were not interdependent, and that because of the complexities associated with their differing nature and scale it would not have been possible to manage them as an integrated Programme.

3.5 We take the view that the Strategic Framework for Action did not define the Signature Projects properly, nor did it establish appropriate governance mechanisms for their implementation. As a consequence, progress was not planned or structured. Strategic plans which are not properly defined or scoped are unlikely to achieve the desired outcomes.

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Recommendation

When public sector organisations are devising strategic plans or frameworks, they should ensure that these are sufficiently defined and scoped, with appropriate governance arrangements, to secure outcomes.

Project promoters and stakeholders have a good understanding of the Signature Projects and their aims

- 3.6 Project promoters' and stakeholders' comments indicated that they had a good understanding of the Signature Projects (full details of our project promoter and stakeholder analysis is provided at **Appendix 4**). There was a consensus that the Projects were intended to create a 'world class' tourist product, in order to attract more tourists to Northern Ireland, and for these tourists to stay longer and spend more. NITB are to be commended for communicating clearly the key messages of the Signature Projects.

In general, project promoters and stakeholders believe that Signature Projects are the best approach to developing tourism

- 3.7 The majority of project promoters and stakeholders (18 out of 33) stated that the Signature Projects approach, in general, was the best way forward for Northern Ireland tourism. However, within this view, there were some other opinions on how the approach might have been

improved. Several respondents stated that the Fermanagh Lakelands should have been another Signature Project. There was also some support for the Sperrins, Lough Neagh and Strangford Lough to be included as Signature Projects.

- 3.8 In contrast there was some support for fewer Signature Projects. Some respondents suggested that funding should have been restricted to the three best prospect Projects – Giant's Causeway, Titanic and the Walled City. They also suggested that the Saint Patrick's Signature Project had only limited appeal, that the Mourne area was not on a par with National Parks in the United Kingdom and that there was always strong opposition to National Park designation.
- 3.9 It is our view that in any initiative to increase tourism in a region, the major cities are a key element. Belfast and Londonderry are included through the Titanic and Walled City Signature Projects. The premier tourist attraction in Northern Ireland, the Giant's Causeway, is also covered by a Signature Project. The development of 'world class' facilities at both the Titanic Quarter and the Giant's Causeway and the development of the Walled City should act as major tourism draws for Northern Ireland. This should encourage tourists to access the Causeway Coastal Route as well as other Signature Projects in the Mourne and on the Saint Patrick's Trail.



Content

The content of some Signature Projects changed during implementation

3.10 In a number of the Signature Projects the content changed during the implementation stage. As noted at paragraph 2.42, in the Mourne Signature Project, the original plan to attain National Park status did not materialise and the project changed to focus around the development of a driving route and associated infrastructural improvements. In addition, more than 20 projects originally identified as forming part of the Signature Projects

and intended for completion by 31 March 2011 will not go ahead. These projects, including those at Market Yard, Coleraine, Mourne Upland Path Phase II and Armagh County Museum, with an estimated cost of nearly £9 million (and associated NITB grant of £2 million), have been withdrawn because of problems associated with implementation within the timescales expected in NITB's funding regime (i.e. completion by 31 March 2011) and/or obtaining match funding¹¹. A further 4 projects, including the Gobbins Cliff Path and Visitor Centre, costing nearly £7 million (with associated NITB grant of nearly £3 million) will now not be funded by NITB,

¹¹ Market Yard, Coleraine was a £4.7 million library and museum project towards which NITB was to provide £500,000. Phase II of the Mourne Upland Path network upgrade was to cost £400,000, of which NITB was to provide £200,000. The update of displays and orientation at the Armagh County Museum was expected to cost £250,000 and sought £125,000 NITB grant

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but are being taken forward through EU funding administered through the Special European Union Programmes Body¹².

3.11 While it is acceptable and sometimes advisable to change the content of projects during implementation, it would be more time and resource efficient if initial project plans were sufficiently robust so as not to require material changes mid-implementation. In our view, DETI and NITB should have attempted to assure themselves that National Park status could be attained for the Mourne *before* announcing it as a Signature Project.

3.12 As a result of poor planning, a number of elements within Signature Projects have changed during implementation. Projects which are not properly planned at the outset are more likely to encounter problems and changes during implementation.

Recommendation

When NITB and other public sector organisations are planning projects, they should ensure that they have robust project implementation plans before embarking on development.

Project promoters and stakeholders had mixed views about Signature Projects achieving ‘international standout’

3.13 NITB literature on the Signature Projects emphasises that, when complete, they should have ‘international standout’ and

should provide an attractive offering for the tourist in a highly competitive environment. We were keen to gain project promoters’ and stakeholders’ views on the prospect of the Signature Projects achieving this status.

3.14 The majority of project promoters and stakeholders (24 out of 33) agreed that the Causeway Coastal Route has (or has the potential to have) ‘international standout’. Opinion was more divided on the Titanic Signature Project. A majority indicated that it had the potential for ‘international standout’, but many questioned the content of the Project. Five respondents questioned the large amount of funding on the Titanic Signature Building and doubted its long-term attraction after the Titanic Centenary in 2012. These also expressed the view that the money could have been more equitably distributed around the other Signature Projects, so that all areas of Northern Ireland could use tourism as a key economic driver. Others expressed the view that the Titanic Signature Project should be more focused on the built heritage and maritime history of Belfast and on promoting Belfast as a city break destination.

3.15 Just under half of all project promoters and stakeholders expressed the view that the Walled City Project would achieve ‘international standout’. Only a few believed that the Saint Patrick’s and Mourne Signature Projects would achieve this. They suggested that the Saint Patrick’s Signature Project had only limited appeal

¹² A North/South Implementation Body, sponsored by the Department of Finance and Personnel in Northern Ireland and the Department of Finance in Ireland, responsible for managing European Union Structural Funds

and that the Mournes would not achieve 'international standout' until it attained National Park status.

- 3.16 Overall, in our view, the Signature Projects have the potential to achieve 'international standout' for Northern Ireland. The combination of the Giant's Causeway Visitor Centre, along with the Titanic Signature Building, has the potential to generate an influx of new tourists to Northern Ireland. However, as indicated earlier, the current economic climate may reduce this potential in the short term.

Funding

Material funding only became available in 2008

- 3.17 Although the Signature Projects were first identified in the Strategic Framework for Action (2004–2007), there was no material capital funding identified until the PfG (2008–2011). As identified at **Figure 7**, in the period to 2008, only £5.7 million of capital funding was made available for the Signature Projects. In the PfG (2008–2011), capital funding of around £70 million was allocated



Titanic Signature Building under construction October 2010.

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Figure 7 Signature Project Funding 2004–2008

Signature Project	No. of Individual Projects	Funding available (£m)
Titanic (Maritime) Belfast	1	0.9
Giant's Causeway/Antrim and Causeway Coast area	9	1.5
The Walled City of Derry	10	2.8
Christian Heritage/Saint Patrick	1	0.2
Mournes National Park area	2	0.3
Total	23	5.7

Source: NITB

to the Signature Projects. The provision of funding through the PfG provided the necessary impetus to the Signature Projects. Without this public funding the Signature Projects would never have been fully implemented.

- 3.18 The absence of material capital funding for the Signature Projects restricted their progress in the years 2004 to 2008. Failure to link the launch of projects with appropriate funding delays implementation and reduces confidence in the deliverability of public sector projects.

Recommendation

When public sector capital projects are approved for implementation, every effort should be made to ensure that funding is made available at the same time.

A large element of funding requested from the European Union for the Titanic Signature Building has been questioned

- 3.19 DETI applied for €24 million EU funding under the EC Competitiveness Programme. However, the Commission has questioned this application on the basis of a lack of competitiveness. It states that there was a lack of competition in TQL selecting an associated company – Harcourt Construction (NI) Limited - to undertake the building work. DETI has argued that this is part of an exclusivity deal which TQL have with the Belfast Harbour Commissioners which allows TQL sole access to the land in the Titanic Quarter. DETI also stated that it took legal advice before applying for EU funding and was advised that this arrangement did not contravene EU regulations. The matter is now being progressed by both parties' legal advisors. Should DETI's legal arguments fail and the Commission not

accept its application, DETI has indicated that it will provide the required funding from other sources.

Timing constraints on funding are now driving Signature Projects

- 3.20 NITB has no end-of-year flexibility in retaining unspent funds (these need to be surrendered to DETI). Combined with the fact that PfG funding is time limited to 31 March 2011, this meant that many individual projects faced the risk of losing funding after March 2011. Five project promoters were of the view that the 31 March 2011 Tourism Development Scheme funding deadline was driving some projects, that is, promoters were forced to implement what was practical in the available time. Project promoters stated that projects within the Giant's Causeway, Saint Patrick's and the Mourne Projects were delayed, postponed, scaled back or completed in a rushed manner to meet the Tourism Development Scheme funding deadline. There is clear evidence of delay in projects - 29 of a total of 72 projects intended to be complete by 31 March 2011, predominantly in the Giant's Causeway, Saint Patrick's and the Mourne Projects are now planned for completion in 2011-12 and 2012-13 (see Appendix 1).
- 3.21 When public sector bodies are planning capital projects over a number of years, they need to make certain assumptions about the time profile of the funding and spend. This planning process is

impaired if Government departments cannot allow end-of-year flexibility and funds are spent differently to the original budget (for example under spends due to adverse weather conditions or project promoters failing to access match funding). In the absence of end-of-year flexibility, Government departments need to be responsive to the funding of capital projects which, by their nature, will run over a number of years.

Project promoters experienced difficulty in obtaining match funding

- 3.22 Some project promoters, particularly those involved in the Giant's Causeway, Saint Patrick's and Mourne Signature Projects, identified the requirement to obtain match funding as problematic, leading to risks that a number of projects may not be implemented as a result. NITB and project promoters told us that a number of projects were not being completed, or were being completed to a lesser standard. Project promoters criticised the lack of co-ordination between Government departments. They were faced with a number of different funding timeframes, regulations and application criteria. Several stated that it would be preferable if NITB had funded fewer projects, but at a significantly higher level. This may have reduced the match funding issues, reduced the delay some projects are experiencing and increased the quality of the tourism product.
- 3.23 In terms of funding fewer projects, the Department told us that the allocation of

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funding by NITB is constrained by the mechanics of the Tourism Development Scheme, and the requirements for equity and transparency. Furthermore, due to restrictions on end-of-year flexibility, funding would have been lost had it not been spent by 31 March 2011, although in its view this did not drive funding decisions.

- 3.24 Public sector funding of projects is often complicated by match funding issues. This can have the effect of discouraging project promoters from applying for public funds which in turn may stop worthwhile tourism development occurring.
- 3.25 In our view, the original purpose of match funding – to involve a mixture of public and private funds in projects to share the risk – is not operating effectively. Match funding (to NITB funding) is predominantly coming from other publicly funded bodies such as local councils or other Government departments and agencies. There is limited private sector money in the Projects and consequently the public sector is bearing most of the risk.



Delivery

Less has been delivered than anticipated

- 3.26 The Signature Projects have delivered less than was anticipated at the outset. Only limited progress was made in the implementation of the Signature Projects between 2004 and 2008. While progress has been made after the injection of dedicated funding through the PfG (2008-2011), no individual Signature Project has been fully completed and a considerable amount of work remains to be done to bring the Signature Projects to a conclusion.

- 3.27 The Titanic Signature Building and the Giant's Causeway Visitor Centre, two of the largest single projects, which represent both 65 per cent of total Signature Project costs and NITB grant, are not due to be completed until March 2012 and June 2012 respectively. A large number of projects (29 out of 72) originally intended for completion by 31 March 2011, particularly within the Giant's Causeway, Saint Patrick's and Mourne Projects, remain to be completed. While the majority of these projects are planned to complete in 2011-12, 4 are not expected to be complete until 31 March 2013. The completion dates for 2 further projects within the Walled City Project cannot be determined because letters of offer from NITB have yet to be finalised. In addition to the delay in completion of projects, a significant number of projects, originally planned to be funded under the PfG (2008-2011), to be completed by 31 March 2011, have been withdrawn.
- 3.28 In our view, this under-delivery is the result of a lack of detailed planning for the Signature Projects at the outset of the Strategic Framework for Action in 2004, inadequate strategic governance arrangements, an absence of material funding until 2008, the constraints associated with time limited funding and match funding issues faced by project promoters.

A number of Signature Projects have suffered delays

Titanic Signature Building

- 3.29 The Titanic Signature Building has been delayed because of failure to attain BLF monies in 2007. In our view, this has delayed the completion of this project by up to one year. The DETI/NITB bid for £25 million to the BLF was made in May 2007. Notification of the bid's failure was received in September 2007. The BLF's Committee Assessment Report stated that the application achieved an overall rating of 'weak' against a number of programme priorities. The key reason given for the bid's failure was that there was little evidence of direct community consultation.
- 3.30 If the BLF application had been successful and allowing eight months for contract negotiations between TQL and DETI, work could have commenced in May 2008. Instead, TQL commenced work on the Building (at its own risk) in May 2009. The delay has cost the project an element of time and flexibility in implementation, delivery, marketing and promotion.

Recommendation

When public sector bodies apply for major funding packages, they must ensure that the applications have a high probability of being successful by striving to meet or exceed all the necessary criteria.

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Giant's Causeway Visitor Centre

- 3.31 The delivery of new visitor facilities has had the longest history of all Signature Projects, originating from the destruction of the previous facilities by fire in 2000. Government took the lead in the development in 2003 because of a failure of the two key stakeholders (National Trust and Moyle District Council) to reach agreement on replacement facilities. Through a joint Ministerial Initiative (DETI and Department of the Environment) in April 2003, new facilities were expected to be provided by Easter 2006. The project was stalled by the delay in the reintroduction of a devolved Government in 2006–07 and, in late 2007, by Government's withdrawal from the project as a result of planning and funding issues associated with a proposed alternative private sector facility¹³.
- 3.32 When planning permission was refused for the competitor facility in January 2008, negotiations between Government and the key stakeholders resulted in the National Trust applying for funding from NITB, in January 2009, to construct new visitor facilities. The National Trust plan was to open in April 2011. However, the timeframe has now been extended to 30 June 2012, due to the time needed to finalise detailed designs and costings, and as a result of delays associated with challenges in the tendering processes applied.
- 3.33 By the time the new Giant's Causeway Visitor Centre is complete in June 2012, Northern Ireland's premier tourist

destination will have had temporary visitor facilities for 12 years. In future, there needs to be better joined-up government when dealing with major capital projects. Government departments and agencies should work together (and with other stakeholders) to best utilise major tourism assets.

Walled City Signature Project

- 3.34 The completion of Phase II of this Project has been hampered due to a lack of ring-fenced funding, after the cessation of the Integrated Development Fund in March 2008. The Walled City Project was not covered in the Signature Project funding provided under the PfG (2008–2011). As a result, after March 2008, the implementation of approved projects could only be progressed through individual funding bids to the Northern Ireland Executive through in-year monitoring rounds.
- 3.35 Project promoters and stakeholders highlighted particular concerns that funding was not available to bring the Project to completion. NITB has, however, confirmed that it has now secured funding in its 2011–12 to 2014–15 budget allocation for the implementation of the remaining projects under Phase II (4 built heritage projects and a Lighting Strategy). While 3 of the outstanding projects are planned for completion by the end of 2011–12, the expected completion date for 2 projects is unclear because they have not finalised their funding arrangements. Given published expectations for the completion of this

¹³ In September 2007, the then Environment Minister announced that she was 'of a mind' to accept a private sector planning application for alternative facilities. This led to the suspension of the Government led development process by the then Minister for Enterprise, Trade and Investment

project by 2010 (announced in 2007, on the completion of Phase I¹⁴), and assuming completion of outstanding projects by 31 March 2013, this represents a delay of over 2 years.

- 3.36 DETI/NITB's failure to secure ring-fenced funding for all elements of Phase II of the Walled City Signature Project has delayed its completion. Consequently, the overall impact of the Project and the potential benefits flowing from it, at present, have been reduced.

Impact/Value for money

A lack of SMART objectives and targets limits impact measurement in some areas

- 3.37 Signature Projects have been developed incrementally, without consistent project management discipline. For example, no overall plan, setting out expected content and implementation timeframes, was developed. This makes it extremely difficult to determine whether what was originally intended has ultimately been delivered. However, as noted earlier at paragraphs 3.2 and 3.4, DETI and NITB



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contend that overall Programme planning and detailed project content definition were both inappropriate and impractical because of the nature of the Strategic Framework for Action and the individual Signature Projects.

3.38 In our view, performance management has also been inconsistent. Objectives and targets, at both Departmental and NITB level, have generally lacked clarity and definition. For example DETI's 2005–2008 and 2008–2011 Corporate Plans identify targets (to be achieved through NITB) to *'progress development' and 'ensure significant progress in the completion'* of the Signature Projects and NITB's Corporate Plan for 2008–2011 includes objectives and targets such as to *'strategically influence infrastructural development of ...sites... on Causeway Coastal Route'*.

3.39 A number of reviews and evaluations at individual Signature Projects have also revealed a lack of SMART objectives and targets, that is, those which are Specific, Measurable, Achievable, Relevant and Time Bound. The Post Project Evaluation of Phase 1 of the Walled City Signature Project (2009) identified the need for clear, concise targets linked to specific measures. The review of individual projects within the overall Signature Project revealed the recurring failings of a lack of documented objectives and a lack of quantitative analysis on which to measure impact. As a result of these deficiencies, the evaluation was unable to determine whether value for money had been achieved.

3.40 The interim evaluation of the Giant's Causeway Coast and Glens Tourism Masterplan (2009) also concluded that objectives were not fully SMART and recommended that this needed to be addressed through target setting, delivery monitoring and impact measurement. We noted a similar lack of SMART objectives and targets in our review of the Saint Patrick's Trail and Titanic's Dock and Pump House projects.

3.41 Overall, performance management has been inconsistent at every level of the Signature Projects – at Programme level, Signature Project level – and individual project level. Without objectives and targets, proper measurement and evaluation of the outcomes and impacts associated with the Signature Projects is not possible.

Recommendation

Public bodies should use established performance management techniques. In particular, objectives and targets should be set that are capable of being fully measured and evaluated and against which they and project promoters can be held accountable. Targets should be SMART - Specific, Measurable, Achievable, Relevant and Time Bound.

Project promoters and stakeholders are positive on the potential impact the Projects would make to visitor numbers, but less positive on spend and length of stay

- 3.42 The majority of project promoters and stakeholders (25 out of 33) thought that all the Signature Projects had the potential to impact positively on visitor numbers, although they had mixed opinions with regard to their impact on visitor spend and length of stay. Four had concerns about the availability of accommodation (Saint Patrick's and Giant's Causeway Projects) and transport linkages/infrastructure (Giant's Causeway and Walled City Projects). Ten of the promoters also voiced concerns that the Signature Projects were not being adequately marketed and promoted.
- 3.43 In our view the Signature Projects may increase visitor numbers, but not necessarily spend and length of stay. This raises questions as to whether the Signature Projects will achieve the impact necessary to create NITB's anticipated 'tipping point' in 2012 and to produce a 'step change' in the performance of the tourism sector in Northern Ireland. It also highlights the importance of effective marketing and promotion.

The lack of development in the Titanic Quarter will have a detrimental effect on the impact of the Titanic Signature Project

- 3.44 Large parts of the Titanic Quarter are currently undeveloped. This is a consequence of the economic downturn

in general and the contraction of the construction industry in particular. It seems likely that when the Titanic Signature Building is completed in March 2012 along with the Titanic heritage assets, they will be situated in a partially developed area of Belfast, containing many acres of unoccupied brownfield sites. This will not be particularly appealing to tourists and will limit the impact of the Project.

- 3.45 In our view, DETI and NITB need to do all they can to ensure the success of the Titanic Quarter. In the current economic climate, where development has slowed, DETI and NITB should work with the private sector and other Government departments and agencies, that have an interest in the redevelopment of the Titanic Quarter, to promote its economic regeneration.

The impact of the Signature Projects may be less than anticipated

- 3.46 A major factor in the impact of the Signature Projects will be the increased numbers of visitors attracted. There is evidence of wide variations in the numbers of visitors being reported to the Giant's Causeway and the Titanic's Dock and Pump House:

Giant's Causeway Visitor Centre – NITB reported visitor numbers for 2007 were 713,000. However, due to concerns over the methodology applied in calculating visitor numbers, the National Trust's business plan for the new Visitor Centre suggested that

Part Three:

The Signature Projects: Review Findings

600,000 visitors was a more realistic figure. As a result of ongoing concerns over visitor numbers, NITB has insisted on the development of a robust methodology as a condition of grant support;

Titanic's Dock and Pump House – the attraction reported 261,200 visitors in 2009, yet an independent Post Project Evaluation in 2010 stated that the 50,000 paying visitors required between 2007 and 2010 did not materialise (see Appendix 2, paragraph 8).

We understand that visitor numbers to attractions are captured through an annual NITB survey, where attractions complete questionnaires about visitor numbers. This data is not subject to any validation by NITB.

- 3.47 If the numbers of visitors to major tourist attractions are not being validated, forecasts based on these numbers may be misleading. DETI stated that if NITB is required to estimate the future performance of major attractions, it will appoint independent experts and for other attractions an economic appraisal will test visitor number estimates. However, we have previously reported on NITB forecast visitor numbers which have proven overly optimistic¹⁵. A repeat of these circumstances would represent a significant risk to the success of the Signature Projects. This risk may be compounded by potential reductions in the number of visitors caused by the economic downturn.

Recommendation

When forecasting and reporting visitor numbers to major tourist attractions, NITB must ensure that these are based on robust, validated data and reassessed as required due to prevailing economic conditions.

The value for money of the Titanic Signature Building is currently open to question

- 3.48 The Titanic Signature Building is by far the largest public sector investment of all the Signature Projects at around £60 million (funded by DETI/NITB, Belfast Harbour Commissioners and Belfast City Council). However, according to the economic appraisal for the building, the Titanic Quarter Limited (TQL) option is set to deliver less financial benefits in the long run to Northern Ireland than the Odyssey Trust Company (OTC) option.
- 3.49 The economic appraisal for the Building shows that:
- using prudent assumptions about visitor numbers (305,900 from Year 5 onwards as opposed to 402,000 from TQL and 347,000 from NITB), the TQL project would result in future financial benefits of £47.5 million at a Northern Ireland level compared to £52.9 million from the OTC option;
 - TQL requested around £60 million public funds as opposed to OTC which required £39.4 million¹⁶; and

¹⁵ Navan Centre (HC 204 – 29 January 2004)

¹⁶ These costs did not include the potential cost of relocating W5 (another tourist attraction) away from the Odyssey Arena Complex

- the TQL project had a better non-monetary benefits score than the OTC proposal. Non-monetary benefits included the Titanic link, visitor experience, iconicity, achievability, wider impact and flexibility.

3.50 This means that in choosing the TQL option, a larger sum of public funds is spent to gain a smaller financial benefit for Northern Ireland than if the OTC option had been chosen. The OTC option was rejected on the grounds of delivering significantly less non-monetary benefits than the TQL option.

The Titanic Signature Building requires 290,000 visitors per year to break-even

3.51 The economic appraisal for the Titanic Signature Building estimated that the predicted 305,900 visitors per annum would result in a modest surplus of £94,000. Using this information, the economic appraisal calculated that the number of visitors required simply to break-even is 290,000. Therefore, a reduction in predicted visitor numbers of little more than 5 per cent would result in a loss.

3.52 Although Titanic Foundation Limited has a guarantee that TQL will be 'operator of last resort' and there is a £5 million 7-year guarantee in place (that is, cumulative losses of this amount will be covered over this period by TQL), if visitor numbers projected do not materialise, the long-term future of the Building would be doubtful. DETI told us that NITB has

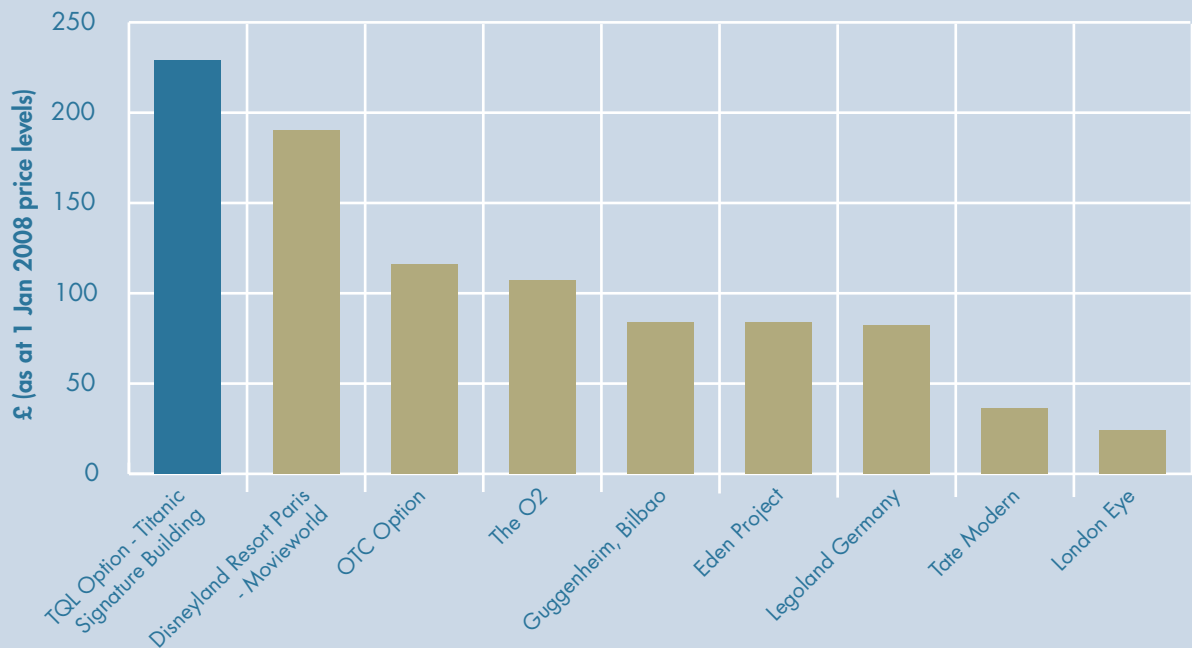
recognised this as one of the key risks within its Risk Register. In the Quarter 1 2011-12 Risk Register, it has a risk rating of Impact – High, Likelihood – High.

The Titanic Signature Building is relatively expensive to build compared to other world class attractions

3.53 The economic appraisal benchmarked the cost of constructing the Building against other 'world class' attractions. **Figure 8** shows index linked initial capital costs for a number of 'world class' attractions and divides this by the number of visitors in a stable year. This indicates that the Titanic Signature Building will be one of the most expensive attractions to build relative to the number of visitors it expects to attract. At £229 per visitor, it is more than double the average of around £106 per visitor and significantly more than the OTC proposal at £116 per visitor.

Project promoters and stakeholders have concerns about the value for money of the Titanic Signature Building

3.54 Many project promoters and stakeholders agreed that the Giant's Causeway (17 out of 33), Walled City (12 out of 33), Mourne (12 out of 33) and Saint Patrick's (13 out of 33) Projects would deliver value for money in the longer term. However, doubts were raised over the Titanic Project. They were concerned about how long it would take to recoup the very significant investment in the Titanic Signature Building. They stated

Figure 8 Capital cost per visitor for a range of attractions (assuming a stable year of visitor numbers)

Source: PwC Titanic Signature Project Final Economic Appraisal (June 2008)

that value for money could only be assessed in the long term and would need to include the wider economic impact. They felt that the Project would need to be fully marketed and promoted ahead of its opening and it would need to be maintained, developed and refreshed in the future to remain a draw for visitors.

- 3.55 Overall, the Titanic Signature Building will cost the public purse £60 million, almost £21 million more than the OTC's alternative option. For this, it will deliver a smaller financial benefit to Northern Ireland. It has a break-even point of 290,000 visitors per year. Although indications are that the attraction will be popular in the early years, there is more

doubt over the long-term attractiveness of the building and of consistently reaching and exceeding these visitor numbers. When compared to other 'world class' attractions, the Titanic Signature Building is relatively expensive to build compared to the visitor numbers it is anticipated to attract. For these reasons, the value for money of the Titanic Signature Building is currently open to question.

There is a risk that the Giant's Causeway Visitor Centre will not achieve financial sustainability

- 3.56 A key objective of the Giant's Causeway Visitor Centre project is that it will be self-

sustaining. Sustainability reflects covering the costs associated with the operation of the new visitor facilities and the generation of sufficient surpluses to secure the conservation of the World Heritage Site and to support tourism development in the wider Causeway Coast and Glens area. In this regard, the level of income generated is critical.

3.57 Income at the Visitor Centre is to be derived from car parking and entrance fees, together with retail and catering sales. As noted earlier (paragraph 3.46) there is uncertainty around the number of visitors to the Giant's Causeway and, as a result, future visitor numbers and income generated from them is difficult to predict.

3.58 The economic appraisal of the Visitor Centre did consider different visitor levels. In particular, it considered visitor numbers produced by a specialist consultant, engaged by NITB, who projected levels approximately 10 per cent lower (around 600,000 per annum) than those predicted by the National Trust. The economic appraisal concluded that the proposed project was sustainable, even where these lower visitor numbers are applied. However, it noted that the project was most sensitive to reductions in operating revenues. As a result, the appraisal recommended that a more robust system be put in place to measure visitor numbers (an issue incorporated into the specific conditions attached to NITB's offer of grant support). It also recommended that careful consideration be given to the pricing structure, charging mechanisms, visitor flow and marketing

of the new facility in order to maximise income.

3.59 In particular, the appraisal analysis indicated that a 25 per cent reduction in paying visitors would generate insufficient surpluses to offset agreed lease payments to Moyle District Council (set at £384,000 per annum), noting that a yearly income of approximately £1.6 million would be required to cover these lease payments. It also indicated that this position would be accentuated should the lower visitor levels projected by NITB's consultant materialise. In both circumstances, the project would also be unable to fulfil its wider objectives in relation to conservation and tourism development.

3.60 While DETI and NITB consider that the assumptions applied in the economic appraisal are robust and that it properly considered the impact of visitor numbers and income, there remains a risk that the Visitor Centre will not achieve financial sustainability nor achieve fully its wider objectives. This risk will need to be monitored carefully.

Effective promotion and marketing will be important in realising the economic potential of the Signature Projects

3.61 Our review of the Signature Projects has been carried out at a time when they are not implemented fully. As a result, we are unable to make a definitive statement as to whether value for money has been achieved. Our review has however,

identified a number of concerns with regard to their potential impact and value for money.

- 3.62 Many of the issues and concerns raised in the preceding sections highlight the importance of increasing visitor numbers, length of stay and tourist spend in order to secure the potential economic benefits associated with the Signature Projects. Increased visitor levels, both domestic and Out-of-State, can only be achieved where potential visitors are aware of what is on offer through the Signature Projects and where this is sufficiently appealing to convert interest into actual visits. In this regard, effective promotion and marketing will be important in realising the economic potential of the Signature Projects.
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Appendices

Appendix 1

Signature Project content

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Titanic (Maritime) Belfast					
Titanic Signature Building	Construction of iconic building in the Titanic Quarter Belfast	83,900,000*	36,950,000	-	31 March 2012
Thompson Dock and Pump House	Renovation and restoration work to the Thompson Graving Dock (Titanic's dry dock) and Victorian pumping house including interpretation	1,182,300	894,225	1 October 2009	-
S.S. Nomadic	Restoration works to Titanic's tender vessel the S.S. Nomadic	4,114,780	750,000	-	30 June 2012
Lagan Legacy	Creation of a floating museum dedicated to Belfast's maritime heritage	979,010	150,000	1 March 2011	-
Belfast Harbour Pontoon and Mooring System	Development of facilities for managed publicly accessible moorings in the following areas: Albert, Donegall and Queen's Quays; Thompson Dock (adjacent to Thompson Pump House) and Abercorn Basin	1,103,136	500,000	1 July 2009	1 July 2009
The Yardmen	Sculpture to commemorate the 'Yardmen'	179,000	89,000	-	28 October 2011
		91,458,226	39,333,225		

* Note: The cost of the Titanic Signature Building noted above (£83.9m) differs from that referred to at Figure 5 (£76.9m), because it reflects irrecoverable VAT associated with the project. Over time the VAT position of the Titanic Signature Building project has changed. Indeed, at inception, it was assumed that no VAT would be recoverable. At that time, the cost of the project, including VAT and an in-kind contribution of land from Belfast Harbour Commissioners (valued at £6.6m), was estimated at some £97m.

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Giant's Causeway/ Antrim and Causeway Coast area					
Giant's Causeway Visitor Centre	Construction of Visitor Centre at the Giant's Causeway	18,500,000	9,250,000	-	30 June 2012
Portglenone Marina	To extend marina to 29 berths, provide water-based facilities and develop walkway to town	449,700	224,850	-	30 September 2011
Benone Strand	New interpretation, signage, waymarking and visitor counters	17,632	8,816	-	30 September 2011
Gortmore	Finger posts, interpretation panels, replacement signage, telescope and monitoring equipment	8,599	4,300	25 August 2011	-
Roe Valley Country Park	Interpretation panels and realignment of path	37,324	18,662	31 March 2011	-
Strategic Interpretative Benching	4 benches along the Causeway Coastal Route at Gortmore, Slemish, Waterfoot and Glenarm	14,010	7,005	25 August 2011	-
Slemish, Ballymena	Create waymarkers to direct best route up Slemish and amalgamate existing signage	6,720	3,660	17 June 2011	-
East Strand, Portrush	Artwork	103,648	49,724	31 March 2011	-
Carrickfergus Castle	Provision of interpretation/orientation panel to exterior of Castle	2,433	1,217	3 June 2011	-
Dunluce Castle	Update exhibition space, provide interpretative panels	202,220	101,110	19 May 2011	-

Appendix 1

Signature Project content

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Jordanstown Loughshore	Construction of caravan park and amenity block, amphitheatre, move bandstand and drainage	1,338,717	669,359	22 April 2011	-
Landsdowne/lighting etc.	Bespoke lighting features in Portrush and Portstewart, environmental improvements at Portadown and Landsdowne	305,000	145,000	-	31 March 2012
East Strand, Portrush Physical Improvement Scheme	Repair to promenade, lighting, street furniture etc.	1,132,000	450,000	25 June 2011	-
Carrickarede	Interpretation panels and listening posts	24,300	10,570	25 August 2011	-
Mussenden Temple	Interpretation panels	37,800	16,443	-	30 September 2012
Whitepark Bay	Viewpoint panels, waymarks, people counters	15,600	6,786	26 August 2011	-
Rathlin Island	Installation of people counters and interpretation panels	19,200	8,352	2 September 2011	-
Cushendun Village	Interpretation panels, visitor trail and visitor counters	34,200	14,877	31 May 2011	-
Portstewart Strand	Improvement of waymarked trails, interpretation panels and public art	25,200	10,962	19 May 2011	-
Ballintoy Harbour	Upgrade access road and parking, provision of seating and interpretation panels	75,366	37,683	-	4 October 2011
Ballycastle Seafront	Upgrade parking, street furniture, play area, panels and devise town trail and install public art	241,311	120,655	-	4 October 2011
Ballycastle Harbour/Terminal	Upgrade path, toilet blocks, car park and provision of interpretation panel	59,644	29,822	-	4 October 2011

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Rathlin Harbour	Upgrade signage and visitor information, provision of seating, play area etc	108,477	54,239	-	4 October 2011
Coolranny	Upgrade panels and fencing	6,000	3,000	-	4 October 2011
Ballintoy Harbour - Bothy	Restoration of Salmon Cottage at Portmoon (bothy) for temporary accommodation	94,258	46,029	-	20 January 2012
Portstewart Strand and Additional Locations	Interpretation panels, vehicle and people counters	28,784	15,215	-	30 September 2011
Ballycastle Harbour and Rathlin Island	Artwork	100,000	50,000	11 March 2011	-
Royal Society for the Protection of Birds	Trails, interpretation panels and viewpoints	12,450	6,270	2 September 2011	-
Glenarm and Carnfunnock	Improvements to Carnfunnock Park, driving route stop-off points, public art and information boards at Glenarm carpark	275,554	132,803	-	30 November 2011
Causeway Coastal Route	Brown signage for driving trail from Belfast to Londonderry	700,000	630,000	1 March 2009	-
Millennium Riverside Park Footbridge, Bushmills	Provision of a footbridge linking the Millennium Park with the town of Bushmills	162,445	76,752	1 May 2007	-
Aquaholics	Provision of a dive boat	110,000	33,000	1 October 2007	-
Larne Gateway	Entrance feature and signage creating link to Larne's maritime heritage	204,500	102,848	1 March 2009	-
North Coast Welcome and Interpretative Programme (Mount Sandel)	Visitor servicing project providing interpretation at sites within the Coleraine area	137,300	68,650	1 July 2009	-

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Signature Project content

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Giant's Causeway and Bushmills Railway	Carriages for the Giant's Causeway and Bushmills Railway	284,010	142,005	-	31 December 2011
County Antrim Yacht Club	Water-based activity tourism facilities	690,424	126,055	1 August 2009	-
Garron Point	Expansion of outdoor and environmental adventure facilities	105,000	26,250	1 April 2010	-
Limavady Tourist Information Centre (TIC)	TIC fitout	79,535	29,535	1 May 2010	-
Cottage Wood, Cushendall	Upgrade of path network, carparking and interpretation/signage	569,525	201,867	30 April 2007	-
Rathlin West Light and Seabird Colony	To improve facility's infrastructure	303,998	121,508	24 June 2009	-
Carnfunnock Caravan Park	Upgrade of caravan park	41,125	14,000	1 February 2007	-
Portstewart Strand Visitor Centre	Provision of Visitor Centre	452,578	233,300	30 April 2009	-
		27,116,587	13,303,179		

	Project Description	Total Project Cost	NITB Grant	Progress	
		£		Completion Date	Expected Completion Date
The Walled City of Derry					
	Phase 1				
	Visitor Signage and Interpretation	705,926	705,926	1 December 2006	-
	Armada Exhibition – Tower Museum	2,804,913	800,000	1 December 2009	-
	Story of Derry Exhibition – Tower Museum	558,980	558,980	1 December 2006	-
	Wider Story of Derry	329,783	329,783	1 December 2006	-
	Walled City Lighting Strategy Project Development	78,000	78,000	1 December 2006	-
	Walled City Conservation and Management Plan	61,000	61,000	1 December 2006	-
	Engineering Implementation Support	132,100	132,100	1 December 2006	-
	Completion of the Wider Story of Derry	110,000	55,000	1 December 2008	-
	Museum of Free Derry	104,829	52,414	1 April 2009	-
	NII Digital Media Archive	100,020	50,000	1 February 2009	-
Phase 2	Business & Cultural Animation Programme	600,000	600,000	1 July 2009	-
	Built Heritage Programme:				
	Playhouse Theatre restoration	4,266,583	674,000	1 September 2009	-
	First Derry Presbyterian Church restoration	2,272,324	1,387,279	1 May 2009	-
	Saint Columba's Cathedral restoration	2,629,727	2,029,727	1 June 2011	-
	Cathedral School restoration	1,439,820	290,000	-	31 March 2012
	Guildhall restoration	3,904,000	2,800,000	-	Not yet determined
	Aras Colmcille, Saint Columba Heritage Centre	1,300,000	500,000	-	31 March 2012

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Signature Project content

Project Description	Total Project Cost £	NITB Grant £	Progress	
			Completion Date	Expected Completion Date
Apprentice Boys of Derry Memorial Hall, Heroes of the Siege Heritage Centre	3,800,000	800,000	-	Not yet determined
Walled City Lighting Strategy Implementation	2,018,168	1,426,668	-	31 March 2012
	27,216,173	13,330,877		

	Project Description	Total Project Cost	NITB Grant	Progress	
		£		Completion Date	Expected Completion Date
Christian Heritage/ Saint Patrick			£		
Inch Abbey	Entrance sign, interpretative sign, seating and benches	6,168	3,084	31 March 2011	-
Struell Wells	Two panels, one entrance sign and one map sign	3,358	1,679	31 March 2011	-
Nendrum Monastic Site	New exhibition, replacement signage and panels	21,554	10,777	31 March 2011	-
Greyabbey Ruins	Signage, improvements to exhibition space and benches	43,302	21,651	31 March 2011	-
Slieve Patrick	Signage, reconfiguration of car park and visitor access	119,607	56,053	-	31 March 2012
Saul Church	Renewal of welcome panel, update of internal display and new illustrative map, parking lay-by and rebuild of church hall (inc disabled access)	325,000	162,500	-	31 January 2012
Down Cathedral	Alterations to the Cathedral and pathways to the graveyard	277,800	114,677	31 May 2011	-
Road Enhancement (Dawson Street, Armagh)	Widening road and footpath between two Cathedrals	388,935	194,468	-	31 October 2011
The Saint Patrick Centre, Downpatrick	Audio visual and interpretative upgrade	50,400	25,200	31 March 2011	-
Downpatrick and Ardglass Railway	Construction of carriage viewing gallery and relocation of Maghera engine shed	728,250	191,450	5 September 2011	-

Appendix 1

Signature Project content

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Downpatrick Cultural Development Plan	Public realm works in Downpatrick town centre including signage and landscaping, linking to attractions	3,190,000	288,991	30 June 2011	-
Saint Patrick's Grave, Downpatrick	Improved access and interpretation to Saint Patrick's Grave	8,000	4,000	-	31 January 2012
Armagh Cathedral	Interpretation, opening Chapter Room and Cathedral Crypt, improved signage and tea room, bookshop	659,636	311,818	30 September 2011	-
The Registry, Armagh	Restoration of The Registry, 5 Vicar's Hill, development of exhibitions and upgrade of library catalogue system	515,959	181,459	31 March 2011	-
Down Arts Centre	Renovation and expansion of the Arts Centre facilities	1,216,977	390,572	-	20 December 2012
North Down Museum	Car parks, landscaping and interpretation	20,771	10,386	28 April 2011	-
Brand Totem Project	North Down – 2 large panels	10,943	8,208	-	30 November 2011
	Armagh – 3 totems, 1 large and 1 small panel	35,584	26,688	-	30 November 2011
	Down – 1 totem, 2 large panels and 1 wall mount	21,918	16,439	-	30 November 2011
	Northern Ireland Environment Agency sites – 3 totems	25,237	18,928	-	30 November 2011
Saint Patrick's Trail	Brown signage for driving trail	262,848	202,848	1 June 2009	-
		7,932,247	2,241,876		

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Mournes National Park area					
Inner Bay, Dundrum	Play area, furniture, orientation and lookout	186,208	82,962	31 May 2011	-
Twelve Arches	Additional parking spaces, site furniture, signage, pathway and lookout	116,923	49,366	31 May 2011	-
Dundrum Walking Routes	Footpath link from Dundrum Inner Bay to Dundrum Main Street	243,700	121,850	-	31 March 2012
Bloody Bridge Amenity Site	Upgrade of car park area and provision of coffee shop, hostel and campsite facilities	97,300	48,650	-	31 March 2012
Ross Monument, Rostrevor	Rearrangement of car parking, orientation, lookout and site furniture	87,112	43,556	-	31 March 2012
Mournes Coastal Route	Signage for driving trail creating the Mournes Coastal Route	250,000	125,000	-	31 March 2013
Annalong Coastal Amenity Area	Entrance feature, path upgrade linking to refurbished coastal path, motorhome area and hook-up points, refurbishment of Cornmill, site furniture and signage	331,321	163,269	6 June 2011	-
Mournes Public Art Phase 1	Public Art	150,000	73,630	31 July 2011	-
Mournes Public Art Phase 2	Public Art	50,000	25,000	31 March 2011	-
Silent Valley	Entrance refurbishment, signage, pedestrian links between visitor centre, car park and lookout, interactive play area, reservoir lookout, picnic sites, viewing points, secret garden, Watertown interpretation etc	385,753	192,877	31 July 2011	-
Mournes Upland Path	Upgrade paths in High Mournes	199,843	99,843	31 March 2011	-

Appendix 1

Signature Project content

	Project Description	Total Project Cost £	NITB Grant £	Progress	
				Completion Date	Expected Completion Date
Narrow Water	Widening existing footpath, resurfacing existing lay-by, provision of new boundary fence, decked viewing area and site furniture	103,091	44,822	24 May 2011	-
Mill Bay Amenity Area	Car park, viewing point and interpretation	54,269	23,595	20 May 2011	-
Mournes Mountain Biking	Development of two mountain bike trails at Castlewells and Rostrevor	1,894,255	1,414,691	-	31 March 2012
Dundrum Main Street	Reorganisation of car park, site furniture etc	108,894	54,447	31 May 2011	-
Greenbanks	Feature signage and railings, viewing area, picnic tables and landscaping	42,994	21,497	31 May 2011	-
Silent Valley Nature Trail	Provision of paths and associated signage	53,500	25,769	1 December 2008	-
Mournes Gateway	Works on main Newcastle roundabout and Swan Lake	535,220	250,000	1 May 2009	-
		4,890,383	2,860,824		

Appendix 2

Progress on the implementation of heritage assets related to the Titanic

Titanic and Olympic Slipways

1. As part of the legal agreement, TQL has to use '*reasonable endeavours*' to refurbish the Titanic and Olympic Slipways by April 2012. A delivery timetable has been agreed. A planning application has been submitted to the Department of the Environment's Planning Service, although it is not yet approved. Nevertheless, work commenced on site in Summer 2011 (after the centenary celebrations for the launch of the Titanic) and is progressing towards completion by March 2012.

Harland & Wolff Headquarters Building

2. A planning application has been lodged to convert this building into a boutique hotel. As yet, no operator has been secured and with the current economic downturn, this is unlikely to happen before 2012.

Harland & Wolff Drawing Offices

3. With little progress on the Headquarters Building, TQL has admitted that there has been no progress on the integral Drawing Offices. However, TQL has confirmed that it will ensure that these are accessible to the public by April 2012.

S.S. Nomadic & Hamilton Dock

4. The S.S. Nomadic was the tender ship for the Titanic, its purpose to ferry passengers from the ship to shore at Cherbourg. Having subsequently fallen into disrepair in France, it was purchased by the Department for Social Development in January 2006 for €1 over the £171,000 reserve price and brought back to Belfast. This was the subject of an NIAO Report in 2009¹⁷. The Nomadic Heritage Trust was formed to oversee the restoration of the ship and Hamilton Dock, where it is currently situated.
5. It is planned to house a floating museum in the ship, explaining the story of the shipyards and travel in that era. Funding from the EU (£2 million) and NITB (£500,000) has enabled progress on restoration of the ship's superstructure and steelwork - a contract was awarded to Harland & Wolff in February 2011. In July 2011, the Heritage Lottery Fund awarded £3.25 million to the project and the Department for Social Development provisionally earmarked £1 million funding. This should enable restoration work to be completed by 30 June 2012.

¹⁷ Bringing the S.S. Nomadic to Belfast: The Acquisition and Restoration of the S.S. Nomadic (NIA 165/08-09 24 June 2009)

Appendix 2

Progress on the implementation of heritage assets related to Titanic

Titanic's Dock and Pump House

6. The Thompson Dock and Pump House (now marketed as Titanic's Dock and Pump House) is the site where the ship was in dry dock, with the Pump House machinery being used to fill and drain the dock as required.
7. In November 2005, the Northern Ireland Science Park (NISIP), BCC and the Environment and Heritage Service (now the Northern Ireland Environment Agency) submitted a funding application to NITB to refurbish both the dock and pump house. As lessees of the structural elements, NISIP took the lead role in the project. Following economic appraisal, grant funding of £825,000 was approved in August 2006. Match funding was provided by the related parties to make up the full cost of £1.1 million. The attraction opened to the public in July 2007. A further funding application for £69,000 (to reinstate the clock tower and increase visitor interpretation) was submitted in July 2008 and approved in January 2009.
8. NITB's annual Visitor Attraction Report shows recorded visitors of 20,000 in 2008 and 261,200 in 2009. We are sceptical about the validity of the latter figures. When NITB raised the issue with NISIP they stated that, *'the 2009 numbers includes visitors from bus/coach tours and also there is a greater awareness of the attraction'*. Despite these apparent visitor numbers, an independent Post Project Evaluation (December 2010) raised concerns about the long-term viability of the attraction and also stated that the required 50,000 paying visitors in the period 2007–2010 did not materialise.

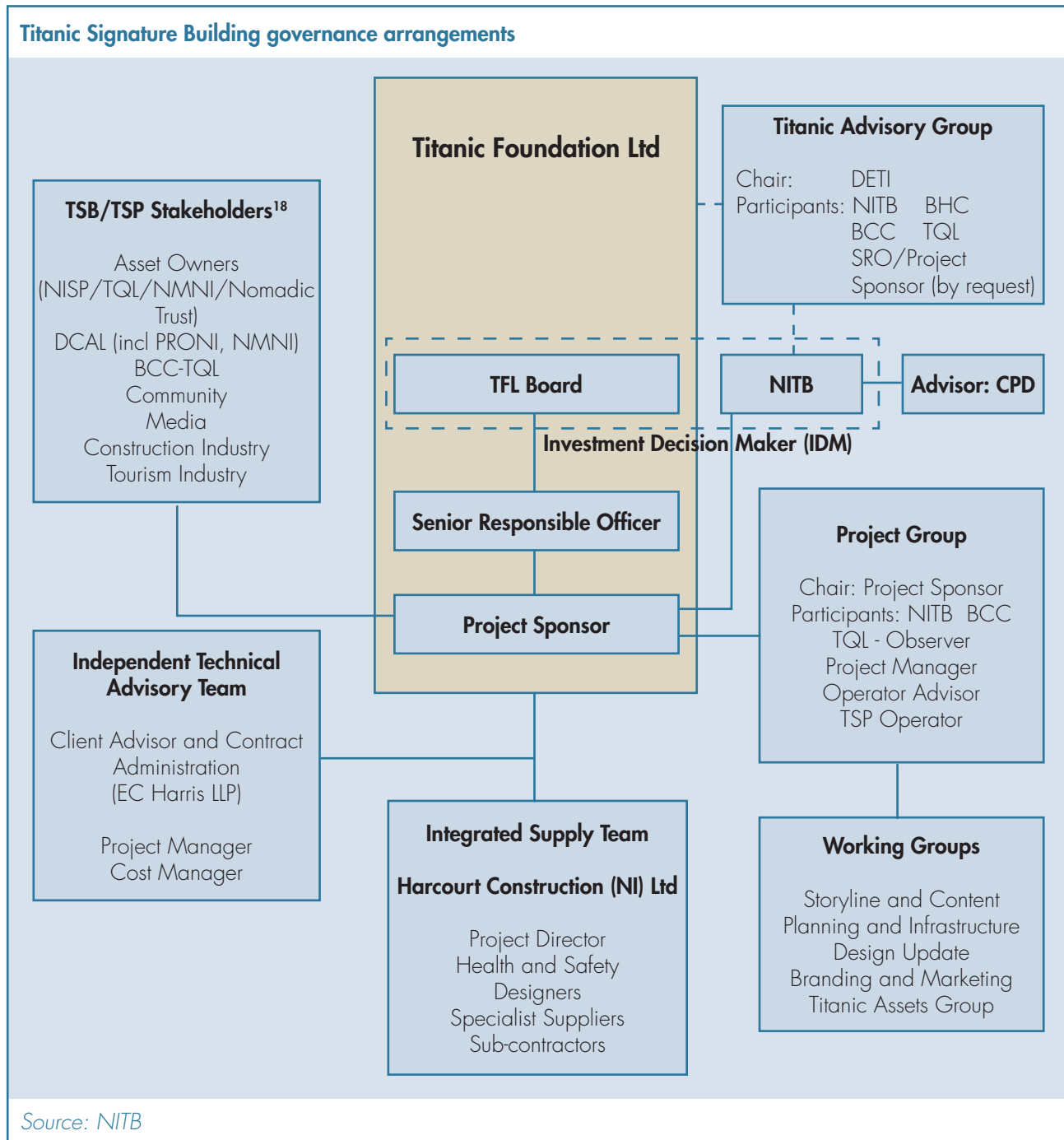
Lagan Legacy

9. The Lagan Legacy is a floating maritime museum on the M.V. Confiance, a coal barge moored at Lanyon Quay, Belfast. It displays the history and industrial heritage of the River Lagan. It was funded by NITB (£150,000), the Heritage Lottery Fund (£624,000) and the Arts Council of Northern Ireland (£90,000) and opened to the public in January 2011.
-

Appendix 3

Titanic Signature Building governance arrangements

1. The governance structure for the Titanic Signature Building is illustrated below along with descriptions of the main roles and responsibilities:



¹⁸ TSB/TSP Stakeholders: Northern Ireland Science Park (NISP), National Museums Northern Ireland (NMNI), Department of Culture, Arts & Leisure (DCAL), Public Records Office of Northern Ireland (PRONI), Belfast City Council (BCC) and Titanic Quarter Limited (TQL)

Appendix 3

Titanic Signature Building governance arrangements

Project Board

2. The Project Board is the Titanic Foundation Ltd (TFL) Board. Their role is to provide advice to the Senior Responsible Officer (SRO) (TFL Chairman) in order to enable key strategic decisions to be made. The membership of the Board is made up of the TFL Trustees, and it is chaired by the TFL Chief Executive. The Project Board meets monthly and the SRO provides a Quarterly Progress Report to NITB.

Investment Decision Maker

3. The Investment Decision Maker (IDM) role is a joint function between NITB and TFL. The Chief Executive of NITB and the Chairman of TFL act jointly as the IDM. The IDM is responsible for all the key investment decisions. The IDM meet every two months to review the project, to identify at an early stage any emerging issues on which an Investment Decision may be required, so that the information requirements to inform an Investment Decision can be agreed.

Titanic Advisory Group

4. This Group monitors progress on the wider Titanic Signature Project. The Group meets quarterly and is chaired by DETI. The Group includes representatives of the Project Partners i.e. the funders/donors, but depending on the issues being discussed, TQL and/or BHC may withdraw from discussions, to ensure that any potential conflicts of interests are managed appropriately.

Project Group

5. This Group is responsible for day-to-day matters, providing advice and guidance to the Project Sponsor/Project Manager (see paragraphs 11 and 12 below) on key decisions. The Project Sponsor chairs the Group and reports to the Project Board. The Group meets monthly and has established Working Groups to assist in the delivery of the project. The key Working Groups and their responsibilities include:
 - design update group – to monitor the ongoing design development and identify any material changes under the construction contract;
 - storyline and content working group – to work with the exhibition designers on an ongoing basis, providing feedback on proposals, and to review formal submissions made under the contract provisions;
 - planning and infrastructure group – to monitor progress on the discharge of planning conditions for the building and the delivery of the external works by TQL; and
-

- branding and marketing group – to develop an appropriate marketing and promotion strategy and plan for the building.

Integrated Supply Team

6. This Team brings together the supply chains responsible for delivering the project, and includes the following main roles/parties: design and build contractor (Harcourt Construction (NI) Ltd); sub-contractors and suppliers; design consultants; architects; structural and civil engineers; cost and project management consultants; and planning consultants.
7. The Team is responsible for the design and construction of the Titanic Signature Building and surrounding plaza. Members of the Team will also be involved in the delivery of associated projects and will have a key role to play in ensuring effective co-ordination and communication across these projects, as TFL has no formal involvement in them.

Independent Technical Advisory Team

8. This Team, led by EC Harris LLP, has been appointed by TFL (following a competition organised by the Department of Finance and Personnel's Central Procurement Directorate (CPD)) to provide technical support, risk management, project management and cost management, and contract administration services for the delivery of the Building. The key role for this Team is the administration of the construction contract.

Core Project Team

9. These are the individuals responsible for managing and delivering the project in accordance with the defined objectives, to the required quality, within budget and on time. They include the following:
 - Senior Responsible Officer;
 - Project Sponsor;
 - Project Manager; and
 - Project Director.
-

Appendix 3

Titanic Signature Building governance arrangements

Senior Responsible Officer (SRO)

10. The SRO is responsible for ensuring that the project meets its objectives; delivers the projected benefits; maintains its business focus; and ensures that risk is actively managed. The SRO is accountable to the IDM for the project and its budget. The SRO is the Chairman of TFL.

Project Sponsor

11. The Project Sponsor provides the interface between project ownership and delivery. The Project Sponsor is the TFL representative who acts as a single focal point of contact with the Project Manager for the day-to-day management of TFL's interests. The Project Sponsor is responsible for ongoing management on behalf of the SRO to ensure that the project objectives are delivered, within the agreed time, quality and cost constraints. The Project Sponsor reports to the SRO and is also the focal point for stakeholders and is responsible for the Stakeholder Engagement Plan. The Project Sponsor for the project is the TFL Chief Executive.

Project Manager

12. The Project Manager is responsible for the day-to-day detailed management of the construction contract and acts as the interface between the Project Sponsor and the supply side of the project team. They are also responsible for administering the construction contract in accordance with the conditions of contract. The Project Manager is an employee of EC Harris LLP.

Project Director

13. The Project Director is responsible for delivering the project, in accordance with the project objectives and works information, on time, to the required quality and within the agreed cost. He is the point of contact with the supply side and will liaise with the Project Manager on an ongoing basis. The Project Director is an employee of Harcourt Construction (NI) Ltd.
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Appendix 4

Main themes emerging from project promoter interviews and stakeholder questionnaires

Introduction

1. As part of the fieldwork in this study we undertook extensive consultation with project promoters involved in all 5 Signature Projects and wider industry stakeholders. This took the form of interviews with 27 project promoters directly involved in one or more of the Signature Projects, site visits to the 5 Projects and a questionnaire to 37 industry stakeholders. This work was carried out in October and November 2010. A list of project promoters and stakeholders interviewed, together with a detail of those industry stakeholders who replied to our questionnaire, is included at the end of this Appendix, along with a copy of the questionnaire.
2. The questionnaire (which was also utilised during project promoter interviews) aimed to ask participants about their:
 - understanding and opinion on the Signature Projects in terms of the development of tourism in Northern Ireland;
 - role within Signature Project(s) and understanding of the purpose and aims of those Project(s);
 - understanding of the role of NITB in relation to the Signature Projects, together with an assessment of how well it has fulfilled that role; and
 - overall assessment of the likely impact of Signature Projects and an opinion as to whether they represent (or are likely to represent) value for money.
3. All 27 of the project promoters and stakeholders directly involved in one or more of the Projects, who we asked to meet, agreed to do so. Their responses were both comprehensive and informative. The Industry Stakeholder Questionnaire provided a 16 per cent response rate (6 responses).

Main Themes Emerging

4. In summary the main themes emerging were as follows:

Concept

1. Project promoters and stakeholders had a general appreciation of the aims of the Signature Projects.
 2. In general, project promoters and stakeholders thought that Signature Projects were the best approach to developing tourism.
-

Appendix 4

Main themes emerging from project promoter interviews and stakeholder questionnaires

Content

3. Opinion was divided on which Signature Projects would provide 'international standout' for Northern Ireland.

Delivery

Role of NITB

4. Project promoters and stakeholders had a clear view of the role of NITB in the delivery of the Signature Projects.

NITB Communication

5. Project promoters and stakeholders rated NITB's communication about the Signature Projects, at an operational level, as good.
6. Project promoters were complimentary about NITB staff.

NITB Management of Delivery

7. Opinions varied on NITB's management of delivery of the Signature Projects.

Reasons for Delay

8. Project promoters felt that Central Procurement Directorate, economic appraisals and use of consultants delayed progress of the Signature Projects.
9. Some project promoters felt that because of delays, the Tourism Development Scheme funding deadline was now driving many projects.
10. Obtaining match funding was problematic for project promoters.
11. There was concern amongst project promoters that NITB saw 2011 and 2012 as the completion of the Signature Projects.

Impact

12. In general, project promoters and stakeholders were positive on the potential impact the Projects would make to visitor numbers, but were less positive on spend and length of stay.
-

13. Project promoters were concerned about the marketing and promotion of the Signature Projects.

Value for money

14. Project promoters and stakeholders had mixed views on the value for money the Signature Projects would deliver.

Detailed Findings

Concept

1. Project promoters and stakeholders had a general appreciation of the aims of the Signature Projects

5. 19 of the 33 respondents had a good understanding of the Signature Projects and their aims. There was a consensus that the Projects were:
- to create a 'world class' tourist product, utilising natural and built heritage, visitor attractions and Heritage Trails which had 'international standout' and would showcase Northern Ireland as an attractive destination;
 - designed to attract more tourists to Northern Ireland, and for these tourists to stay longer and spend more;
 - to make a positive contribution to the Northern Ireland economy through increased tourist numbers and the increased tourism-related jobs and prosperity this can achieve;
 - to create a 'step change' in tourism;
 - to promote the special and unique features of Northern Ireland;
 - to create gateways to Northern Ireland from where visitors could explore other areas of the country; and
 - to create strategic hubs for tourism, to attract more visitors to Northern Ireland.
6. Public sector stakeholders appeared to identify more with the stated 'policy' aims of the Signature Projects concept i.e. using phrases like 'international standout', 'best prospects to draw visitors', 'must-see attractions', 'unique to Northern Ireland' etc. Non-public sector
-

Appendix 4

Main themes emerging from project promoter interviews and stakeholder questionnaires

stakeholders tended to refer to the aims in terms of building/creating tourism products/attractions.

2. In general, project promoters and stakeholders thought that Signature Projects were the best approach to developing tourism

7. 18 of the 33 respondents stated that the Signature Projects approach, in general, was the best way forward for Northern Ireland tourism.
8. However within this view, there were some other opinions on how the approach might have been improved. Several stakeholders stated that the Fermanagh Lakelands should have been another Signature Project. They envisaged this as a Driving Route, similar to the Causeway and Mourne Coastal Routes, and that it would create the potential for all parts of Northern Ireland to be accessed i.e. completing a route that would take in Belfast, the Causeway Coast, the Walled City, the Fermanagh Lakelands, the Mourne and the Saint Patrick's Project area. There was also some support for the Sperrins, Lough Neagh and Strangford Lough to be included as Signature Projects.
9. In contrast there was some support for fewer Signature Projects, expressing the view that undertaking 5 Projects was over ambitious. Some stakeholders suggested that funding should have been restricted to the 3 best prospect Projects – Giant's Causeway, Titanic and the Walled City. Some stakeholders suggested that the Saint Patrick's Signature Project had only limited appeal, that the Mourne were not on a par with other National Parks in the United Kingdom and that there was always strong opposition to the region being designated a National Park.
10. Some respondents also noted that there was an alternative option to the Titanic Signature Building, but this was not considered seriously by DETI. The Odyssey Trust Company Limited had a proposal to develop their building to house a Titanic attraction, with the potential to double in size if the venture was successful.

Content

3. Opinion was divided on which Signature Projects would provide 'international standout' for Northern Ireland

11. NITB state that the Signature Projects were identified for their potential to provide 'international standout' and 'world class' excellence for Northern Ireland.
12. 24 of the 33 respondents stated that the Causeway Coastal Route has (or has the potential to have) 'international standout'. With the World Heritage Site at the Giant's Causeway

being the most popular visitor attraction in Northern Ireland, respondents agreed that the addition of the Driving Route and the Visitor Centre will confirm 'international standout'.

13. Opinion was more divided on the Titanic Signature Project. 18 of the 33 respondents indicated that it had the potential for 'international standout' but many questioned the content of the Project. Several respondents questioned the large amount of funding on the iconic Building in Titanic Quarter, and doubted the long-term attraction of the iconic Building after the Titanic Centenary in 2012. Indeed, there appeared to be a widespread misconception among respondents that the Titanic Signature Project consisted solely of the Titanic Signature Building, signalling a failure by NITB to get its message out regarding the content of the Signature Project. These respondents expressed the view that the money could have been more equitably distributed around the other Projects, so that all areas of Northern Ireland could use tourism as a key economic driver. Others expressed the view that the Titanic Project should be more focussed on the built heritage and maritime history of Belfast and on promoting Belfast as a city break destination. Some commented that the Signature Project had been divorced from the city of Belfast and that visitors were more likely to come and see Belfast because of its status as a capital city and not because of an isolated visitor attraction/experience.
 14. 15 of the 33 respondents expressed the view that the Walled City Project would achieve 'international standout'. The general view was that it would have visitor appeal in Ireland and Britain, but only limited appeal in Europe and beyond. The view was that there were many other walled cities around the world with more appeal.
 15. Only a few respondents stated that the Saint Patrick's and Mournes Signature Projects would achieve 'international standout', principally those stakeholders directly involved in these Projects. With regard to the Saint Patrick's Signature Project, stakeholders suggested that it has some standout, but that its appeal was limited. The main reasons cited for it not attaining this accolade were:
 - there are a number of other established Christian Heritage Trails competing for visitors;
 - the lack of accommodation in the Downpatrick area will discourage tourists staying on the Trail; and
 - it will not achieve the necessary critical mass as it is focussed on a specialised clientele.
 16. The consensus among respondents was that the Mournes Project would not achieve 'international standout'. Many stated that the Mournes would need to attain National Park status before it could have 'international standout', and that its absence had materially harmed the quality/impact of the Mournes as a Signature Product. To date this has not been
-

Appendix 4

Main themes emerging from project promoter interviews and stakeholder questionnaires

attained, mainly because of a successful 'No' campaign by local land and quarry owners, despite evidence to show that designation as a National Park would have very significant marketing advantages for the Mourne.

Delivery

Role of NITB

4. Project promoters and stakeholders had a clear view of the role of NITB in the delivery of the Signature Projects

17. 26 of the 33 respondents had a clear view of NITB's role in delivering the Signature Projects. They viewed NITB's role as:

- a strategic leader;
- co-ordinating and driving delivery in conjunction with other stakeholders;
- providing funding and support for promoters;
- promotion and marketing; and
- fulfilling a governance, oversight and monitoring role.

NITB Communication

5. Project promoters and stakeholders rated NITB's communication about the Signature Projects, at an operational level, as good

18. 19 of the 33 respondents were content that the level of communication from NITB at an operational level, and particularly in relation to the Signature Project they were involved in, was good. Several project promoters also complimented the NITB for its co-ordination of the Steering Groups overseeing the Walled City and Saint Patrick's Signature Projects. However, stakeholders suggested that communication was not as good between individual projects (i.e. they were not fully aware of what other related projects were doing), nor were they particularly informed about those Signature Projects they were not directly involved in.

6. Project promoters were complimentary about NITB staff

19. Several project promoters stated that an important element of the communications between them and NITB was the quality and attributes of NITB staff. They stated that staff were

engaged in the Projects, practical, pragmatic and flexible. A small number did, however, criticise a lack of staff continuity at NITB, late engagement in the Titanic Project and a lack of identification of roles and responsibilities in the Saint Patrick's Project with the role of NITB being passed to consultants.

NITB Management of Delivery

7. Opinions varied on NITB's management of delivery of the Signature Projects

20. There was no consensus of opinion as to NITB's management of delivery of the Projects. While some stakeholders involved in the Mourne and Walled City Signature Projects were generally complimentary in relation to NITB's management, those in the Saint Patrick's, Titanic and Causeway Signature Projects were less so.
21. A lot of concern emanated from the Strategic Framework for Action (2004-2007), in which the Signature Projects were first identified. Some respondents stated that because this did not clearly define the roles and responsibilities of NITB in the Signature Projects, there has been confusion. Some also stated that NITB expect the project promoters to drive delivery of the Projects. Some concern was also raised that NITB has moved on/away from the Signature Projects before they are complete.

Reasons for Delay

8. Project promoters felt that Central Procurement Directorate, economic appraisals and use of consultants delayed progress of the Signature Projects

22. There was general consensus that the two major capital build projects – the Titanic Signature Building and the Giant's Causeway Visitor Centre – will be completed by 31 March 2012 and 30 June 2012 respectively. Project promoters involved in the Walled City Project suggested that there was no clearly identified completion date. This related to the different funding mechanism applied under this Project (originally the Integrated Development Fund), and a consensus that a number of projects (e.g. the Lighting Strategy) were being delayed because funding had not been obtained for the completion of Phase II of the overall Project. The remaining Signature Projects are to be completed by 31 March 2011.
23. Several project promoters thought that the Projects could have been progressed more quickly. A number of reasons were cited:
 - Central Procurement Directorate was seen as being overly bureaucratic. Several examples were quoted where project promoters were ready to implement projects but were delayed by Central Procurement Directorate procedures, many of which are

Appendix 4

Main themes emerging from project promoter interviews and stakeholder questionnaires

perceived as unnecessarily long. Complaints were also made alleging that Central Procurement Directorate overly emphasise cost over quality in tender evaluation which may lead to sub-standard tourism product development;

- Economic appraisals were taking a long time. Several stakeholders stated that economic appraisals are often completed by NITB appointed consultants and then reviewed and revised by DETI and Department of Finance and Personnel economists. During this elongated process, project promoters were often asked the same questions several times. Project promoters pleaded for this process to be streamlined; and
- Use of consultants at support/design and economic appraisal stages. Project promoters stated that they were often confronted with several consultants along the process, who often asked the same questions. Similar to the economic appraisal process, project promoters felt that the use of consultants should be better planned and executed, so as to avoid extended time periods elapsing between the generation of a project plan and delivering a tourism product.

24. To some regard, criticisms relating to the bureaucratic nature of the procurement and economic appraisal processes may also reflect a lack of understanding or familiarity with public sector processes and operations. In our view, it identifies a need for NITB to better manage promoter expectations in relation to the timescale of its funding processes.

9. **Some project promoters felt that because of delays, the Tourism Development Scheme funding deadline was now driving many projects**

25. Some project promoters (5 out of 33) felt that the above delays have resulted in a lack of timely funding for projects, and that the Tourism Development Scheme funding deadline of 31 March 2011 is now driving many projects, that is, promoters are forced to implement what is practical in the available time. Some were also concerned that the rush to spend the funds could adversely affect the quality of several projects.
26. Some project promoters involved in the Giant's Causeway, Saint Patrick's and Mournes Projects voiced concerns that some of the individual projects would either not be completed on time, would be postponed, delayed, scaled back or would be completed in a rushed manner in order to meet the Tourism Development Scheme funding deadline.

10. **Obtaining match funding was problematic for project promoters**

27. Some project promoters involved in the Saint Patrick's and Mournes Signature Projects, identified the requirement to obtain match funding as problematic, leading to risks that a number of projects may not be implemented as a result. In this regard project promoters criticised the lack

of co-ordination between Government departments in terms of funding streams and timeframes. Some stated that it would be preferable if NITB had funded fewer projects but at a significantly higher level. This may have reduced the match funding issues, reduced the delay some projects are experiencing and increased the quality of the tourism product.

11. There was concern amongst project promoters that the NITB saw 2011 and 2012 as the completion of the Signature Projects

28. A consistent view expressed by several project promoters was that NITB saw 2011 and 2012 as the completion dates of the Signature Projects. Project promoters were concerned that the future need to maintain the attractions, refresh and develop the exhibitions etc. and to further promote and market the Projects was an ongoing task that required funding.

Impact

12. In general, project promoters and stakeholders were positive on the potential impact the Projects would make to visitor numbers, but were less positive on spend and length of stay

29. 25 out of the 33 respondents thought that the Signature Projects had the potential to impact positively on visitor numbers, although they had mixed opinions with regard to their impact on visitor spend and length of stay. Views were also mixed as regards individual project impact.
30. With respect to visitor spend and length of stay, concerns were raised by 4 project promoters in relation to the availability of accommodation (Saint Patrick's and Giant's Causeway Projects) and transport linkages/infrastructure (Giant's Causeway and Walled City Projects) and car parking facilities (specifically at Bushmills and the Giant's Causeway). In addition, project promoters and stakeholders raised a concern in relation to the impact of Driving Routes and their limited attraction, being restricted to the 'free, independent traveller', as the majority of activity along these Trails focussed on coach trips with limited numbers of stops.
31. Most respondents who expressed a view on the Giant's Causeway Project agreed that the numbers visiting the Giant's Causeway would increase, but several questioned their length of stay and therefore spend because of lack of accommodation in the Bushmills area.
32. It was generally agreed that the Titanic Project should be a considerable draw as a new attraction. However there were some concerns aired that tourists may only visit the iconic Building in Belfast and little else.
-

Appendix 4

Main themes emerging from project promoter interviews and stakeholder questionnaires

33. Most respondents who expressed a view on the Walled City Project agreed that it would be a significant attraction to visitors to the North West and would contribute very positively to the regeneration of Londonderry. Similarly, most respondents who expressed a view on the Mourne Coastal Route thought that it would increase visitor numbers.
34. Overall, these mixed opinions and concerns with regard to the potential impact of the Signature Projects raise questions as to whether they will achieve the impact necessary to create NITB's anticipated 'tipping point' in 2012, and to produce a 'step change' in the performance of the tourism sector in Northern Ireland.

13. Project promoters were concerned about the marketing and promotion of the Signature Projects

35. Some project promoters thought the concentration on funding in Belfast and the Giant's Causeway would lead tourists to these 2 areas to the detriment of the rest of Northern Ireland. 10 project promoters voiced concerns that the Signature Projects were not being adequately marketed and promoted. They felt that the bulk of this work needs to be carried out now, before completion of the Projects. Others were concerned that NITB does not have full control over marketing and promotion of the Projects as Tourism Ireland has a role to market Northern Ireland overseas.
36. Some project promoters also urged that all Projects were fully marketed and promoted along with other attractions near to the Projects – Fermanagh Lakelands, the Sperrins, Lough Neagh and Strangford Lough.

Value for money

14. Project promoters and stakeholders had mixed views on the value for money the Signature Projects would deliver

37. A significant number of respondents agreed that the Giant's Causeway (17 out of 33), Walled City (12 out of 33), Mourne (12 out of 33) and Saint Patrick's (13 out of 33) Signature Projects would deliver value for money in the longer term. However, doubts were raised over the Titanic Signature Project.
 38. Project promoters and stakeholders were concerned about how long it would take to recoup the very significant investment in the Titanic Signature Building. They stated that value for money could only be assessed in the long term and would need to include the wider economic impact multiplier effect. They felt that the Project would need to be fully marketed and promoted ahead of its opening and it would need to be maintained, developed and refreshed in the future to remain a draw for visitors.
-

39. Indeed, the issue of the provision of on-going funding and the leverage of further private sector investment was identified as a material concern with regard to all Signature Projects. Concerns were expressed that this future expenditure may be in doubt, given the current public sector spending pressures and general economic conditions.

Project promoters and stakeholders interviewed or who responded to the questionnaire

List of project promoters and stakeholder organisations interviewed

Northern Ireland Science Park
Lagan Legacy
Titanic Foundation Limited
Belfast City Council
Belfast Harbour Commissioners
Nomadic Trust
Northern Ireland Environment Agency (re Walled City Project)
Northern Ireland Environment Agency (re Giant's Causeway and Saint Patrick's Projects)
ILEX
Derry City Council
Derry Visitor and Convention Bureau
Mournes Heritage Trust
Newry & Mourne District Council
Slieve Donard Hotel
Countryside Access and Activities Network
The Saint Patrick Centre
Down District Council
Armagh District Council
Roman Catholic Church Representative to Saint Patrick's Project
Saint Patrick's Cathedral, Armagh
Down Cathedral, Downpatrick
National Trust, Giant's Causeway
National Trust, Northern Ireland Headquarters
Causeway Coast & Glens Heritage Trust
Bushmills Distillery
Coleraine Borough Council
Causeway Coast and Glens Tourism Partnership

List of stakeholder organisations who responded to the questionnaire

Northern Ireland Branch of the British Holiday and Home Parks Association
Belfast Titanic Society
Museum of Free Derry
Sperrins Tourism Limited
Ards Borough Council
One response, name withheld

Industry stakeholder questionnaire

1. Signature Projects are an important element of the strategic direction for tourism development in Northern Ireland. What do you understand about the following: their rationale, the benefits and costs associated with their development, and what stakeholders are involved?

Rationale:

Benefits and Costs:

Stakeholders involved:

Industry stakeholder questionnaire

2a(i). To what extent do you agree that the Signature Projects as a whole represent the best approach to developing tourism in NI? (Please circle your response)

Strongly Agree (SA)

Agree (A)

Neither Agree nor Disagree (NAnD)

Disagree (D)

Strongly Disagree (SD)

2a(ii). Please explain the reason(s) for your response:

2b(i). Considering each individual Signature Project, to what extent do you agree that these represent the best approach to developing tourism in NI? (Please circle a response for each of the Signature Projects)

Causeway Coast and Glens:	SA	A	NAnD	D	SD
Walled City:	SA	A	NAnD	D	SD
St Patrick/Christian Heritage:	SA	A	NAnD	D	SD
Titanic/Maritime Belfast:	SA	A	NAnD	D	SD
Mournes:	SA	A	NAnD	D	SD

2b(ii). Please explain the reason(s) for your response:

3. The Signature Projects were set up to be evidence of 'international standout' for Northern Ireland.

3a(i). Overall, to what extent do you agree that the Signature Projects are likely to achieve this accolade? (Please circle your response)

Likely

Unsure

Unlikely

3a(ii). Please explain the reasons for your response:

3b(i). Considering each individual Signature Project, to what extent do you agree that the Signature Projects are likely to achieve this accolade? (Please circle a response for each of the Signature Projects)

Causeway Coast and Glens:	Likely	Unsure	Unlikely
Walled City:	Likely	Unsure	Unlikely
St Patrick/Christian Heritage:	Likely	Unsure	Unlikely
Titanic/Maritime Belfast:	Likely	Unsure	Unlikely
Mournes:	Likely	Unsure	Unlikely

3b(ii). Please explain the reasons for your response:

Causeway Coast and Glens:

Walled City:

St Patrick/Christian Heritage:

Titanic/Maritime Belfast:

Industry stakeholder questionnaire

Mournes:

- 3c. If any of your responses to 3b(ii) indicate that 'international standout' will not be achieved, are there any other 'Signature Projects' which, in your view, should have been pursued? Please provide details:

- 4a. Can you indicate which Signature Project(s) you are directly involved in?
(Please tick as appropriate)

Causeway Coast and Glens	<input type="checkbox"/>
Walled City	<input type="checkbox"/>
St Patrick/Christian Heritage	<input type="checkbox"/>
Titanic/Maritime Belfast	<input type="checkbox"/>
Mournes	<input type="checkbox"/>
None	<input type="checkbox"/>

[Note: for the purpose of this survey, 'directly involved' is defined as being in receipt of funding in support of one or more of the Signature Projects or contributing to the direction or development of one or more of the Signature Projects]

If you are not directly involved with any Signature Project please move on to question 8.

- 4b. For each of the Signature Projects you are directly involved in, can you state what role you and your organisation plays, and how long you and your organisation have been involved with the Signature Project(s)?

[Insert Signature Project Title:]

Role: _____

How long involved?: _____

[Insert Signature Project Title:]

Role: _____

How long involved?: _____

5. What do you consider to be the aims of the Signature Project(s) you are directly involved with?

[Insert Signature Project Title:]

Aims: _____

Industry stakeholder questionnaire

[Insert Signature Project Title:]

Aims: _____

6a. What is your understanding of the role of the Northern Ireland Tourist Board (NITB) in relation to the delivery of the Signature Project(s) you are involved in?

6b. In general, how well do you think the NITB has kept you informed about progress with all aspects of the Signature Project(s) you are involved in? (Please tick a response for each Signature Project you are involved in)

Signature Project	Well informed	Adequately informed	Poorly informed	Not informed
[Insert title]				
[Insert title]				

6c. Please explain the reason(s) for your response:

[Insert Signature Project Title:]

[Insert Signature Project Title:

]

6d. Given your understanding of NITB's role in the Signature Projects, how would you rate NITB's management of the delivery of the Signature Projects to date? (Please circle as appropriate)

Excellent

Good

Adequate

Poor

Very Poor

7a. What is/are the current agreed completion date(s) for the Signature Project(s) you are associated with?

[Insert Signature Project Title:

]

Completion Date _____

[Insert Signature Project Title:

]

Completion Date _____

7b. Do you envisage it/they will be completed on time?

[Signature Project 1: Yes _____ No _____]

[Signature Project 2: Yes _____ No _____]

7c. If you answered No to 7b, what are the main reason(s) for any delay?

Industry stakeholder questionnaire

7d. Could the Signature Project(s) that you have been involved in have been delivered earlier than is currently planned?

[Signature Project 1: Yes _____ No _____]

[Signature Project 2: Yes _____ No _____]

If Yes, please explain how:

8a. When completed, what impact do you see the Signature Projects as a whole making in terms of the following? (Please circle as appropriate)

Visitor No.s	Significant impact	Some impact	Little/ No impact
Visitor spend	Significant impact	Some impact	Little/ No impact
Length of Visitor stay	Significant impact	Some impact	Little/ No impact

8b. Please explain the reason(s) for each of your responses at 8a:

Visitor No.s:

Visitor spend:

Length of Visitor stay:

9a. When completed, how do you expect the Signature Projects as a whole to rate in terms of providing value for money? (Please circle as appropriate)

Excellent
Value

Good
Value

Adequate
Value

Poor
Value

Very Poor
Value

9b. Please explain the reason(s) for your response:

If you are content to provide contact details please complete the following:

Name of Individual completing Questionnaire:

Industry stakeholder questionnaire

Organisation:

Position in Organisation:

Should we wish to follow up or clarify any of your responses, would you be content for us to contact you?
(Please circle)

Yes

No

If Yes, please provide a relevant telephone number and/or Email address:

Telephone No: _____

Email Address: _____

Thank you for taking the time to complete this questionnaire and providing your views.
Please enclose it in the stamped address envelope provided and return it to the Northern Ireland Audit
Office as soon as possible.

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