

# COMMITTEE FOR ENTERPRISE, TRADE AND INVESTMENT

# OFFICIAL REPORT (Hansard)

**Tourism (Amendment) Bill** 

30 September 2010

### NORTHERN IRELAND ASSEMBLY

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# **Tourism (Amendment) Bill**

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#### Members present for all or part of the proceedings:

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

#### Witnesses:

Mr Jim Dillon Mr Peter Thompson Northern Ireland Local Government Association

#### The Chairperson (Mr A Maginness):

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

#### Alderman Jim Dillon (Northern Ireland Local Government Association):

Thank you, Chairman and Committee members, for inviting NILGA to give evidence on the Tourism (Amendment) Bill. I am a councillor on Lisburn City Council, as most of you know, and I am an executive member of NILGA and of its economic development committee.

I would like to speak to several clauses and the key issues that stem from them for local government. Clause 1 is "Frequency of statutory inspections". NILGA supports the view that there should be a reduction in the frequency of Tourist Board inspections; visiting premises every second or third year would be more acceptable. However, four years is too long a period without a visit, as there is a danger of significant deterioration or alterations occurring in that time without being addressed. Council inspections of relevant tourism premises will continue on a risk-assessment basis; for example, for food and health safety. In order to ensure that public health is protected, there may be potential for joined-up working in that regard: environmental health inspectors who inspect premises would look at them as the need for inspection arose. Of course, that would require further discussion with councils.

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

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

#### Mr Peter Thompson (Northern Ireland Local Government Association):

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

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

#### The Chairperson:

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

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

#### Mr Dillon:

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

#### The Chairperson:

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

#### Mr Cree:

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

#### Mr Dillon:

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

#### **Dr McDonnell:**

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

#### **Mr Thompson:**

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

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

We appreciate that annual inspections would be difficult, time-consuming and heavy on

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

#### **Mrs McGill:**

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

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

#### **Mr Thompson:**

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

#### The Chairperson:

The annual inspection is paid for by the ----

## Mr Thompson:

By the establishment.

#### The Chairperson:

Is that burdensome?

#### **Mr Thompson:**

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

#### The Chairperson:

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

#### Mr Dillon:

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

#### Mr Frew:

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

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

#### Mr Thompson:

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

#### Mr Frew:

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

#### **Mr Thompson:**

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

#### Ms J McCann:

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

#### Mr Dillon:

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

#### Ms J McCann:

During the consultation did anyone suggest that the rest of the board be appointed in the same way?

#### Mr Dillon:

Are you saying that people brought the point up?

#### Ms J McCann:

I am asking whether they did. Did NILGA bring it up, for example?

#### Mr Dillon:

Yes. It would be a positive way forward.

#### Mr Irwin:

Thank you for your presentation. If inspections are carried out every four years, establishments could grow lax in the knowledge that they will not be inspected again for four years. The possibility of an inspection can keep people on their toes. As a farmer, I know what it is like. If farmers got an inspection and know that they will not get another one for four years, they could become lax. It is important that the option of inspections be there. I am not sure whether

provision could be made in that regard. You said that someone could be inspected three times in four years, but there needs to be some equity.

#### Mr Thompson:

That is the worst-case scenario. That person would have to be very unlucky.

#### Mr Irwin:

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

#### Mr Dillon:

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

#### **Mrs McGill:**

How long would it take to make changes through subordinate legislation?

#### The Chairperson:

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

#### Mrs McGill:

Would that be days, weeks or months?

Mr Cree: Nothing happens in days.

#### **Mrs McGill:**

This could be a first. [Laughter.]

#### The Chairperson:

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

#### **Mrs McGill:**

Fifty-two?

#### The Chairperson:

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

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

#### Mr Dillon:

Thank you for receiving us and listening to our views.

#### The Chairperson:

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