**Loughinsholin**

**Mid Ulster Tourism Cluster**

**Memorandum of Understanding**

**Background and Purpose of the Cluster**

Purpose

The cluster are building a successful tourism destination offering, aiming to exceed visitor expectations in terms of quality, value for money, choice, ease of access and how well the offer is marketed.

To achieve this, the cluster are developing a co-ordinated approach to provide a high quality and seamless visitor experience, which in turn benefits the wider rural community, aligning with MUDC Vision for Mid Ulster Tourism.

Background

***Phase 1: Invest NI Collaborative Growth Network***

In May 2018, the Mid Ulster Tourism cluster, supported by Mid Ulster District Council, embarked on a yearlong Phase 1 Scoping Study funded through Invest NI Collaborative Growth Network. The overarching aim was to assess the commercial tourism opportunities of the Mid Ulster region. The cluster project was administered by Richard Mulholland, Ballyscullion Park, Bellaghy as Lead Company of which there were 13 members in total ranging from accommodation providers, experience providers, tour guides and food and beverage establishments.

The cluster were keen to work together to grow awareness of their combined offerings. The cluster has since developed into a structured and practical working work, where businesses openly work with each other, and have developed trust and respect. There is a strong willingness to engage, share experiences, discuss opportunities and desire to work together.

The scoping study work allowed cluster businesses to take advantage of developments within the tourism industry and explore opportunities which may not otherwise have been obvious. The members’ ongoing aim was to develop strategic partnerships to develop the capability to deliver services, through capacity building activities and supply chain ready initiatives. Although the cluster had been strongly supported prior to the scoping study by MUDC Tourism, the intention was to increase the activity and scope with the potential for a Phase 2 project.

Phase 1 Objectives

Through the scoping study it was envisaged that:

* The cluster can explore the potential market for their product in particular focussing on its relationship with Seamus Heaney HomePlace.
* Assess the specific businesses in the cluster and their capacity to deliver a quality visitor experience.
* Develop the skills to package and sell their product in domestic and international marketplace.
* Realise the marketing and PR potential of their unique products
* Examine the issue of collective branding
* Examine and explain how existing and potential partnerships such as Tourism Ireland, Tourism NI etc. can benefit the cluster businesses.

The Phase 1 Final Report highlighted a Summary of findings, including a range of commercial opportunities – The main theme areas included:

* Evolve the offering around food and drink.
* Expanding the Literary Linkages and Literary Trail Concepts
* The Dark Sky Observatory and Visitor Centre at Davagh Forest
* Lower Bann Blueway
* Food, Arts and Culture Festival

Phase 1 Outputs / Impacts of project for both Network Members and Stakeholders;

There were a number of outcomes and impacts, these included;

* **Collaboration** (locally, regionally and further afield, e.g., Hay and Kinsale and Dalriada and National Trust) - the CGN really embraced the meaningful opportunities presented and shared both during meetings and presentations and field trips, all of which have the potential for future business engagement for the group collectively and individually
* **New Business Development** – the group reported growth across its business working in terms of tourism engagement and working with Tour Operators, buyers, and partners. Much support and facilitation has been provided by the expertise within the Council’s Tourism team who have really helped the Collaborative Growth Network members become ‘match fit’ for tourism events, buyer events and tourism opportunities as they presented.
* **Total New Business** discussed across cluster members with ITOA, WTM, Coach and Group Networking Event, Inward Buyer visits as well as collaborative working to each other. There was a significant level of new business underway within a number of the cluster members businesses.

Since inception, it is also important to note that the cluster continued to work successfully during the Pandemic period to support each other and continue to engage effectively.

The cluster has also benefitted from a wide range of business led training support and skills enhancement which has supported the development and vision for the cluster and its members.

***Phase 2: Invest NI Collaborative Growth Network***

In April 2021, The Cluster was successful in being awarded a further grant - the Collaborative Growth Fund (CGF) from Invest NI. A total grant of £165,500 has been awarded, £12,500 of which is towards marketing from Mid Ulster Council.

The Cluster, on behalf of the Collaborative Growth Network, has contracted the services of an independent facilitator, Lara Goodall Consulting, to carry out the Project and facilitate the Collaborative Growth Network to determine clear business solutions to individual and group needs.

The project will deliver all of its activity across 4 Workstreams and associated sub-working groups –

1. **Commercialisation & Product Development** - Aim: Develop sales & marketing activities to drive visitors to the area whilst assisting members to meet their individual commercial targets & help grow the local tourism sector.
2. **Skills** - Aim: Ensure that members of the Cluster have access to flexible & tailored skills development support, both formal and informal training, to take advantage of future opportunities. The workstream will also aim to create knowledge transfer opportunities between cluster members and stakeholders.
3. **Communications** - Aim: Maximise opportunities for communication with a range of target audiences, including B2B & B2C, whilst aligning with Council/TNI activities.
4. **Governance** - Aim: Build a governance framework to ensure that members can build a sustainable, robust and accountable model.

The following MOU structure presents the proposed and desired working arrangements for the delivery of the Phase 2 Funding project and aims to develop a set of working principles and structures for the Cluster to use on a long term basis.

**Mission Statement**

To actively engage with a network of tourism focused companies within the Loughinsholin geographical area and a 5 mile radius surrounding Loughinsholin (see Annex 1 Map), which help each other develop and enhance their tourism offering and capacity which will expand their sales of existing tourism products and services through: -

a. Collective market intelligence leading to the identification of new sales opportunities

b. Development of enhanced supplier chain capabilities and capacity

c. Create stronger funding potential supported by the synergy offered by the collaborative network

d. Supporting product and itinerary development creating cluster opportunities

**Objectives of the Loughinsholin Cluster**

The Phase 2 Objectives of the cluster are to develop the following: -

1. Enhance the tourism product offering in the Loughinsholin region and increase the product offering to the market
2. A suite of collaborative tourism products
3. Increase tourist footfall, dwell time and overnight stays in the region
4. Implement collective marketing strategies to support the tourism product offering and raise the profile of the cluster
5. Enhance skills capabilities to ensure that all members of the Mid Ulster Tourism Cluster have access to the required skills to take advantage of opportunities identified via the Cluster
6. Strategy development to sustain the cluster beyond the Invest NI Collaborative Growth funding
7. Source and apply for additional funding
8. Enhance the overall capability and development of commercial opportunities for all cluster members
9. Promote sustainable tourism in the area and embed the green tourism agenda throughout its activities

**How we will work together**

**A Rules of Engagement document can be found in Annex 2.**

1. **Legal Structure** – development of a constituted group with a separate bank account.

*Group structure – roles and responsibilities*

* Richard Mulholland, Ballyscullion Park is the Cluster Chair
* Dermot Friel from Friel’s Bar & Restaurant is the funding lead for the Collaborative Growth Programme
* Lara Goodall from Lara Goodall Consulting is the appointed facilitator for the Collaborative Growth Programme
* The length of service as a Chair will be for a 3-year period as a maximum
* The Member progression path will flow as follows– Member – Secretary – Vice Chair - Chair
* The secretary role will be formally put in place in January 2024 and the role of secretary will be revised in June 2023.

1. **Independence** - The relationship between members under this collaborative network is that of independent businesses and each member maintains exclusive control over its own operation.
2. **Collective promotion** – members are encouraged to refer to their membership of Loughinsholin at every appropriate opportunity, with the intent of strengthening the competitiveness of their own products and referring other members to clients
3. **Communications** – members are encouraged to adhere to the following communication guidance objectives
   * Allows the cluster to have communication processes and procedures from the outset and sets good practice for long term cluster activity.
   * Ensures the cluster brand and reputation is maintained by all members and members are cognisant of their membership and brand messaging
   * Gives direction to the cluster in how to deal with
     + Media enquiries
     + Opportunities
     + Risks

A template will be developed to gather all communication details and the above will form part of the communications strategy.

1. **Cluster Meetings** - Members will attend regular Cluster Group Meetings, initially planned at 10 meetings per year and agree the objectives for the cluster and to approve recommendations brought before them. (The number of meetings will be revised again after a one-year period.)

* The facilitator and Funding Lead will brief the Chair before each cluster meeting on progress with the CGF.
* Members need to attend a minimum of 5 meetings per annum - these need to be spread equitably across the year.

1. **Voting rights** – A quorum is required for any voting; a quorum is a minimum of 6 members including the Chair.

* Each member will have one vote. In the event of a tie, the Chair has the final decision-making power.
* A decision will be carried on a majority of 51% vote.
* If the designated company representative cannot attend a meeting a deputy may attend in their place and will be entitled to vote.

1. **Strategy Development** - Members will define and agree upon Objectives to be pursued by the cluster. Members will form project teams to develop strategies to achieve the objectives of the cluster. Where new products or services are developed the Members will agree who should be the prime contractor in marketing the offer to the client.
2. **Build Sustainability of the Cluster** – In order for the cluster to operate beyond the CGF it is important to build a sustainability action plan into the cluster meeting agendas. There are a number of areas for consideration:

* Collect a percentage of revenue from ticket sales of cluster events
* Collate non-refundable annual fees from members, the fees will be based on the FTE (30 hours) employee size of each participating member. – check Lara what update on this was?
  + A one employee business pays £125 annually
  + 2-10 employee members pay £250 annually
  + 11 – 50 employee members pay £500 annually

*If the group dissolves and there are reserves in the bank account - members will receive their last years fee contribution.*

**Membership**

* Each cluster member will sign the Memorandum of Understanding and return to Friels Bar and Restaurant as the Collaborative Growth Lead.
* A designated company representative will be appointed from each Member.
* The core cluster consists of 14 members named in the Invest NI Letter of Offer, these consist of: -

1. Friel’s Bar & Restaurant
2. Ballyscullion Park
3. Seamus Heaney HomePlace
4. Bakehouse NI
5. Eel Fishery
6. Broagh Tours
7. River Bann Tours
8. Ardtara Country House
9. Heaney Farmhouse Brewery
10. Glenshane Country Farm
11. J&K Coaches
12. Tap House
13. Walsh’s Hotel
14. Glenavon House Hotel

This cluster will remain with this core membership for a minimum of a one-year period until the cluster members get an opportunity to work effectively together and embed the working principles of the cluster before new members may come on board.

For note The Emigrants Walk is part of a pilot process of how to embed new members into the cluster and will attend meetings in a pilot membership capacity.

Core members responsibilities

* Sign a Non-Disclosure Agreement and Memorandum of Understanding
* Attend all cluster meetings as an active participant and have voting rights
* Each participant must sit on at least one Workstreams related sub-working group

*New Membership Considerations*

*(Application form to be developed)*

* It is the intention of the cluster to recruit additional members, members should have the opportunity to suggest new companies to join the cluster to continually enhance its capability and capacity
* There is an opportunity to present “open days” to invite potential new members along to find out more about the cluster
* New members will be proposed to the Cluster Facilitator / Secretary, who will then communicate the nominations to all members. A vote will be called for and decided upon by a majority decision – 51%.
* The following eligibility criteria will apply for new *associate* members.

1. Be located within the Loughinsholin boundary / radius and must have a tourism related product or working towards one.
2. Demonstration of value add to cluster composition.
3. Accommodation providers and visitor attractions will be registered with Tourism NI.
4. Experience operators who have been graded 3 Star or above under the Tourism NI Quality Grading Scheme for Visitor Experiences (*or in the process of becoming graded*), or who are part of the Embrace a Giant Spirit Collection.
5. Food based providers must have a minimum of 4 stars Food Hygiene Rating
6. Be registered with a relevant trade body for their sector
7. Hold a Quality accreditation that is relevant for their sector

Core V Associate Memberships

All new members will join initially as Associate members. They will observe the following rights

* Sign a Non-Disclosure Agreement
* Attend cluster meetings as an active participant but do not have voting rights
* Opportunity to join sub-groups and avail of training opportunities
* Option to apply to join as a full cluster member after 12 months, and / or when a member feels ready to commit beyond the 12-month period
* Be able to avail of marketing activities

**Management of the cluster**

The formation and continuous development of the cluster requires significant investment of independent, professional and experienced business leadership. This will be provided by Lara Goodall & Associates and will comprise a breadth of tasks established in conjunction with the Members and by mutual consent. These will include

* Leadership
* Management
* Administration
* Communication
* Marketing
* Governance
* Project Facilitation and Delivery

Long term, the group need to embed a future management structure incorporating a treasurer and secretary. Shadowing roles to be put in place in 2023.

**Duration and Termination from the Cluster**

The Cluster has been established for a *specified time period.* These TOR are established for an indefinite time period, unless and until the network is terminated.

Termination of this agreement between a Network Member and (Ballyscullion House) will take place as follows

1. A Network Member may terminate its status of Member and this agreement at any time by notifying The Chair and Cluster Facilitator with 1 months’ notice.
2. The Chair and Cluster Facilitator terminate this agreement and the status of Member of a given Member under the approval of a majority vote of all Members, with 1 months’ notice
3. It is here expressly stated that the decision of termination may be taken and implemented without resorting to any legal action
4. In case of termination for whatever reason, the departing Member will not be entitled to any refund or compensation.

**Annex 1: Boundary Map of Loughinsholin**

Map

Description automatically generated

**Annex 2**

**Loughinsholin**

**Mid Ulster Tourism Cluster**

**Guidelines of Engagement Structure**

This document is non-binding agreement detailing the guidelines and desired structure for engaging as members of the Loughinsholin cluster. The guidelines state a define a set of acceptable behaviours and processes to be followed by all existing and future members of the cluster. They will be added to and changed as required.

**Guideline # 1 – Building Trust**

Members will commit to building trust amongst members and agree to follow the following principles:

Part A:

* Regularly attend meetings and if for any reason they cannot attend send a representative on their behalf send prior apologies
* Commit to of use the shared file network to keep themselves up-to-speed on activities
* Provide input in meetings or reply to requests for votes, documents and discussions
* Take commitments seriously and complete actions provided

Part B:

* Treat all cluster discussions with utmost confidentiality and do not steal network member ideas/IP
* Do not misrepresent their capabilities/capacities to other members
* Members must always act in the best interests of Loughinsholin and not complete against the cluster
* Treat all members with respect and integrity

Members may be warned/cautioned and / or be liable to expulsion from Loughinsholin (as per Guideline #7) if the above is not adhered to.

**Guideline # 2 – Conflicts of Interest**

As best practice all members should strive to avoid any conflict of interest between the interests of Loughinsholin, both in personal/professional life and in business interests. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest e.g., self-interested bias in their decision making.

However, we understand that conflicts of interest may arise and if so, should be brought to monthly meetings for discussion and resolution.

**Guideline # 3 – Sharing Information**

We will be totally transparent and inclusive in how we communicate information on potential opportunities for the network.

We will encourage our members to be proactive in bringing opportunities to the network, as well as sharing any potential challenges.

We will respect all company Intellectual Property and non-disclosure requirements

Where a project involves the development of IP then the ownership of this will be agreed in advance and should also reflect in some way the investment made by parties in enabling and building the cluster as well as the companies involved in the specific project.

**Guideline # 4 – Resolving Issues and Conflicts**

Issues and conflicts should be surfaced and resolved quickly and informally as this can be a major distraction to the cluster. The following is the agreed process:

• Step 1 – The two parties should speak directly privately to try and resolve, this should address 90% of the problems if this doesn’t resolve the situation, a meeting will be arranged for all stakeholders to assist resolution.

• Step 2 – A non-company facilitator should work with the parties using the networks issue resolution practice to ensure both sides understand the others position. We expect Step 1 and Step 2 to address 99% of problems. If this still is not resolved, the issue will move to Stage 3.

• Step 3 – Both parties should put their case to a Member Panel consisting of the facilitator plus 3 other members acceptable to both parties. The view of this panel, once formed, will be binding and final. If however an acceptable panel cannot be formed or cannot reach a majority view then the issue will be escalated to Stage 4.

• Step 4 – Both parties put their case to a meeting of all cluster members who will then come to a majority view which will be binding and final.

**Guideline # 5 – Making Decisions**

• Day-to-day – This will be at the discretion of the Chair of the Loughinsholin Cluster who will prepare an email, poll or ring around wherever possible to check member views and advise all members afterwards.

• Operational – These decisions will be brought to a full monthly meeting with a clear recommendation and the matter shared via email for full comment and discussion beforehand. In emergencies a decision can be made without a physical meeting provided all interested parties are engaged by telephone.

•Strategic - Should a Strategic Decision be required, for example research is approved to be carried out which will bring a recommendation to a future meeting. Approval for research, recommendation and decision should all be minuted at cluster meetings.

**Guideline # 6 – Exiting the Network**

If a member no longer wishes to be part of the network, they must resign their membership in writing to the Chair of Loughinsholin cluster giving 1 months’ notice.

They must also sign an NDA on exit.

**Guideline # 7 – Employing Sanctions**

The following sanctions will be implemented if members do not adhere to Guideline # 1 – Building Trust principles.

* Any issues arising with Guideline # 1 – Building Trust Part A principles will result in a “written verbal warning” by the Network Facilitator.
* Two or more repeated problems with Guideline # 1 – Building Trust Part A principles will result in a discussion with the management team regarding a temporary loss of cluster privileges
* Two or more repeated problems with Guideline # 1 – Building Trust Part B will result in expulsion from the network.
* All disciplinary decisions will be issued formally via the Issue Resolution Process (Guideline #4) and require a full cluster meeting decision. They will be formally noted and communicated to all current members.

**Guideline # 8 – Unforeseen situations**

We will add to these initial Guidelines as and when required to address unforeseen situations. Any changes must be formally agreed by all members

* Review of previous guidelines
* How fit for purpose are these today
* What new guidelines do we need to consider