

**MINUTES OF THE 436th MEETING OF BRITISH TOURIST AUTHORITY**

**HELD AT 10:00 ON THURSDAY 25 JANUARY 2018 AT**

**VISITBRITAIN, 1 VICTORIA STREET, WESTMINSTER, LONDON SW1H 0ET**

**Present:** Steve Ridgway, CBE (Chairman)  
Denis Wormwell  
John Lindquist  
Angela Bray  
Ian McCaig  
Judith Macgregor  
Margaret Llewellyn OBE  
Laura Clayton  
Lord Thurso  
Katy Best

**In Attendance:** Sally Balcombe  
Hazel Cunningham  
Lola Moses, Secretary to the Board  
Stephen Darke DCMS  
Patricia Yates, Director Strategy & Communications  
Richard Nicholls (for item 7)  
Carol Dray, Commercial Director (for item 10)  
Andrew Stokes, England Director (for item 10)

**Agenda item 1: Chairman's Update and Introduction**

1. The Chairman welcomed the Board to the meeting.
2. The Chairman updated the Board on recent developments impacting tourism, the Board noted the following:
  - (i) Giles Smith was currently the Interim Director for Arts, Heritage & Tourism, and Stephen Darke is the Acting Deputy Director for Heritage, Tourism and Cultural Diplomacy and as such will be attending meetings on behalf of DCMS.
  - (ii) The importance of a tourism sector deal was stressed in relation to the Industrial Strategy.
  - (iii) Members noted the ministerial changes, with effect from 8 January 2018 Matt Hancock MP was promoted from Minister of State to Secretary of State for DCMS and Michael Ellis MP was appointed Tourism Minister to replace John Glynn MP.

### **Agenda Item 2: Minutes of the Last Meeting**

3. The Minutes of the BTA Board meeting held on 5 December 2017 were approved and there were no matters arising from the previous meeting.

### **Matters arising not on the substantive Agenda**

4. Margaret Llewellyn advised that the Wales Tourism Advisory Board no longer existed. It was noted that Margaret's previous role as chair of the Wales Tourism Advisory Board included representing the Welsh Government on the BTA Board.

### **Agenda Item 3: Apologies**

5. The Board received no apologies.
6. It was noted that Kevin Murphy would not be attending future board meetings since he was no longer a board member for London & Partners.

### **Agenda Item 4: Declarations of interest**

7. There were no new declarations of interest.

## **STRATEGY, PERFORMANCE AND OUTLOOK**

### **Agenda Item 5: CEO Report**

8. Sally Balcombe provided the Board with a verbal update on recent developments impacting the organisation, the following points were noted:
  - (i) Inbound visitor numbers growing though slowed somewhat during Autumn – should still have a record year and exceed the 2020 target 2 years ahead of schedule.
  - (ii) Recruitment is still ongoing for China/NE Asia Director – proving difficult to close out.
  - (iii) Achievements reported in marketing, new campaigns undertaken targeting millennials.
  - (iv) Significant progress reported on business events/partners.
  - (v) Challenges reported in 2017 in the Middle East – Interim Director is tackling
  - (vi) Proposal to roll DEF into a 4<sup>th</sup> year has been submitted to DCMS for approval, discussions were still ongoing.
  - (vii) Concerns expressed in connection with USA inbound numbers which were reported to have decreased by 11% in recent month. Factors affecting the decrease were discussed by the board. Continued importance of Europe noted.

- (viii) A more positive sentiment was reported in Scotland compared to the rest of Britain, the Board discussed reporting methods and how the business market was being impacted by Brexit.
  - (ix) The funding challenges continue to impact the BTA's ability to meet the targets set by DCMS.
9. The BTA Board dashboard was presented to the Board and the Board was updated on the status of the main corporate priorities.

#### **Agenda Item 6: State of the Market Snapshot**

10. Sally Balcombe updated on the state of the market, the following points were highlighted regarding competitor activity:
- Tourism Australia is also focusing on welcome, asking industry to record themselves in a 4-5 second selfie-style video saying "G'day".
  - Spain is likely to overtake the USA as the 2<sup>nd</sup> most visited destination in the UNWTO's 2017 rankings.
  - Destination Canada has stopped operations in the Brazilian market after 8 years due to a strategic change to focus more on China.

#### **Agenda Item 7: Tourism Trends**

11. Richard Nicholls provided the Board with an update on recent developments impacting the organisation, the following points were noted with reference to the paper circulated before the meeting:
- (i) IPS overall – visits had increased by 3% in Q3 of 2017.
  - (ii) Holidays and VFR both grew by 7% in Q3 of 2017.
  - (iii) London visits had decreased by 1% in Q3 of 2017 but still reported a 7% overall increase after strong performance in Q1 and Q2.
  - (iv) Flight booking data suggested that there was moderate growth in visits in Q4 2017.
  - (v) Sterling had reported gains against the US dollar and was reported to be 12% more expensive year-on-year.

#### **Agenda Item 8: Political/Tourism Affairs**

12. Patricia Yates provided the Board with a verbal update on recent political developments impacting tourism. The tourism sector deal booklet was tabled at the meeting.
13. Patricia Yates referred to the paper which was circulated prior to the Board meeting. Members noted the ministerial changes and implications for Tourism.

## **CORPORATE MATTERS**

### **Agenda Item 9: Pensions Update**

14. Hazel Cunningham provided an update to the Board in relation to the Pension Scheme changes with reference to the “BTA Pension Strategy” paper circulated before the meeting. It was noted that:-
- BTA needed to decide whether or not to proceed with the pension proposals after taking account of the consultation responses and other information put forward to them. It was noted that the consultation process was well handled and that there were no major obstacles raised.
  - HMT require BTA to change its pension provision in line with their requirements by 1 April 2018.
  - Work was ongoing for set-up of the scheme, estimated to be finalised by the end of March 2018.
15. The Board approved the pension proposals as set out in the paper circulated prior to the meeting.

### **Agenda Item 10: DEF Platform Decision**

16. Andrew Stokes and Carol Dray provided the Board with an update on the DEF Platform, the following points were noted with reference to the paper circulated before the meeting:
- (i) Following the procurement process, members noted that they needed to decide whether to approve the award of contract for the Pilot Platform to the recommended supplier.
  - (ii) Responses to the procurement process had been received from eight suppliers, a decision was made by the DEF panel to award the contract for the Pilot Platform to Rainmaker & V3.
  - (iii) A discussion was held on how the Pilot evaluation would be carried out and whether the Pilot test period would be long enough to register accurate results.
  - (iv) The Board agreed to proceed with the Pilot on the basis of a full evaluation at the end of the pilot. John Lindquist requested that his dissent be recorded.

### **Agenda Item 12: Risk Register**

17. The Board was presented with the updated Corporate Risk Register and the minutes of the Audit Committee held on 18 January 2018.

**Agenda Item 13: Audit Committee**

18. The Board discussed the governance and oversight of HR, People and Performance in light of an internal audit conducted by Mazars. The Board agreed that the terms of reference for the Remuneration Committee would be amended to include HR, People and Performance. It was noted that this would ensure the improvement plan to address these issues would be adequately monitored.

**Agenda Item 14: Any Other Business**

19. There was no other business reported.

**Date of Next Meeting**

20. To be held on Tuesday 20<sup>th</sup> March 2018 (10:00 to 14:30).

**Close**

21. Without there being any further business to discuss, the Chairman declared the meeting closed at 14:35.

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Chairman's Signature

Date: