



2016 / 2017 Business Plan

British Tourist Authority trading as VisitBritain & VisitEngland



Contents	Page
1. Foreword	1
2. Our Business	3
Our Role and Mission	3
2015 Comprehensive Spending Review and Related Changes	3
Corporate Priorities in 2016/17	4
Targets and Outcomes	7
Delivering within the Funding Envelope	7
Risks and Opportunities	7
Funding for 2016/17	8
3. Our Activity	10
Marketing	11
The International Network	15
Commercial	18
England	21
Strategy and Communications	24
Business Services	27
Appendix 1 – BTA Budget in 2016/17	31
Appendix 2 – The Market	32

1. FOREWORD

We started 2016 on the back of record years for tourism – 2015 saw more international visitors than ever before visit Britain, while domestic visitors enjoying a staycation spent more in England than ever before. In the UK we have grown the value of inbound tourism from £13.9 billion in 2003 into the country's third largest service export worth £26.2 billion in 2013. Tourism has continued to deliver jobs even in times of economic uncertainty – almost 1 in 10 jobs in the UK are in tourism-related industries and jobs in the sector are growing at almost double the rate of other industries.

In July 2015 the Prime Minister confirmed the Government's commitment to further growing the industry, publishing a five-point plan '*Backing the tourism sector*' that set out how the benefits of this growth would be spread right across Britain. And this was followed with an excellent four-year funding settlement for VisitBritain/VisitEngland with core budgets unchanged and the establishment of a £40m Discover England fund to develop world-class English tourism products. Since then we have also secured £23.3 million from the GREAT budget for international and domestic marketing.

The settlement also stipulated that VisitBritain and VisitEngland would work more closely together, with the combined organisation focused on:

- Marketing the nations and regions of Britain overseas to drive growth in leisure and business tourism
- Maintaining distinct activities to develop and market English tourism

Alongside our ambition to grow international visitors to 40 million by 2020, spending £31.5 billion, we have targets to deliver 1.5% above IPS growth to the nations on our activity. England activity will be focused on the successful delivery of the Discover England fund, supported by research (some of it statutory) and domestic marketing under the GREAT Holidays at Home banner. This will be set out in the England Action Plan.

With clarity on our baseline funding and remit we have reviewed our priorities and focus.

Our strength continues to be that we know **customers and markets**. We need to think about how we win with our core customer segments in our key markets to ensure we have cut through. That means continuing to be **outcome focused**.

We need to **drive conversion and advocacy** as well as aspiration to travel. Our new work on product development will be focused on delivering the right product to the right customer at the right time.

Partnerships will be fundamental to everything we do. We will be an enabler, building alliances to achieve common aims.

We will step up our relationships with **our strategic partners, the tourist boards for Scotland, Wales and London**, to achieve these ambitions. Ensuring collaborative and cooperative working across the organisations, sharing our expertise and experience, planning campaigns in a transparent and collegiate way supporting the strategic partners' priorities, using our resources to support every part of Britain and guaranteeing coverage through our communications channels.

The GREAT programme has changed the way in which we work with **public diplomacy and GREAT partners** – the FCO, UKTI, British Council and UKVI. There is an opportunity here for us to harness the influence of these Government agencies to amplify our message and build our global footprint. In markets our teams now sit on the FCO platform and have close links to FCO colleagues.

We are seen by Government as a successful driver of commercial revenue. We will want to continue to attract private sector money in the future to build our marketing pot, the step up here will be building **partnerships** that are about more than money in –accessing customers who have easy access to travel - such as frequent flyer and hotel loyalty programmes - data and intelligence to inform our strategy and brand partners who appeal to our target customers and extend our reach. We have grown our online

retail operation from a loss maker to a business that contributed £1.7 million to our activity in 2016/17. We have ambitious plans to grow this as well as reviewing the organisation's platforms and activities to ensure we drive **commercial** revenue wherever possible.

We will be more interventionist in our **B2B** activity. We will broaden our engagement with product distribution intermediaries in key international markets, working both with traditional tour operators and travel agencies, but also more with online travel agencies, metasearch and aggregators. The focus will be on making proactive strategic interventions to solve their problems – whatever they might be – in building the range and availability of bookable product and increasing sales of Britain. We will also continue to produce tools and platforms that enable our industry to access international markets.

We will re-enter the business visits and events sector, at a Britain level, supporting Events are GREAT activity to add value to devolved and city activity. At an England level we will continue to support English cities and regions.

Many of the interventions we will want to support - product development and distribution, route support, improving visa policy, building welcome programmes – will not be delivered in a year. We will need to **manage projects across a 3-5 year** timeframe.

Our world is **digital** and we are transforming into a digital organisation enabling us to deliver across a global footprint with our communications channels. But we still need people in markets to deliver our customer and market knowledge, work with local trade and influencers and tailor the global proposition.

Our customer focus has shifted our digital strategy from driving people to our websites to getting content to our **targeted customers on the media they are naturally looking at**. We will use data and analytics to deliver a more tailored offer, ensuring we reach our targeted customers with appropriate content at every stage of the customer journey. We will work with our partners to drive through to bookable product and deliver conversion. Our content will be our key asset as we become a curator and distributor as well as a creator of content. We need to speak to people in their own language and build advocates for England and Britain who amplify our messages in their own social channels.

To build more flexibility in our overseas network we will develop a hub and spoke approach with more senior people at the hubs and central teams that can be flexed across markets. Our nurture market strategy will evolve into a rest of the world strategy as we can engage in markets as opportunities arise. In London we will have integrated teams delivering Britain and England activity as well as a distinct England division focused on the delivery of the Fund. The expectation of all staff will be that they can work collaboratively on projects across the organisation. And this project based approach will be supported by a central Project Management Office and streamlined business processes.

In this way all our activities this year will be focused on our corporate priorities and delivering our targets.

2. OUR BUSINESS

Our Role and Mission

Tourism is currently worth £126.9 billion to Britain's economy and as Britain's seventh largest export industry, inbound tourism's economic contribution is currently valued at £26.2 billion. Recognised as an essential part of the growth agenda, tourism delivers economic growth for Britain and jobs right across the nations and regions. As the national tourism agency – a non-departmental public body funded by the Department for Culture, Media & Sport (DCMS), BTA¹ plays a unique role in building England's tourism product, raising Britain's profile worldwide, increasing the volume and value of tourism exports and developing England and Britain's visitor economy.

Our mission:

Working with a wide range of partners in both the UK and overseas, our mission is to grow the volume and value of inbound tourism across the nations and regions of Britain and to develop world-class English tourism product to support our growth aspirations.

VisitBritain continues to work on the basis of its long-term tourism strategy for Britain to deliver 40 million international visitors spending £31.5 billion by 2020 and is now shaping the organisation to focus on what it needs to do to support this aspiration.

Our VisitEngland activity is now focused on the development and delivery of the Discover England Fund, a three-year-funding aiming to drive inbound visits and spend and support the domestic market through the delivery of world-class, stand-out, bookable tourism products.

2015 Comprehensive Spending Review and Related Changes

Over the course of 2015/16, VisitBritain and VisitEngland built their respective cases for the Spending Review which would determine their funding from 2016/17 onwards.

Ministers were able to make a compelling case for tourism, resulting in the core budgets for both VisitBritain and VisitEngland remaining unchanged. The Government also announced a new £40m for a Discover England Fund over three years for the development of English tourism products. GREAT was also given a boost in funding and following more detailed discussions we have secured £23.3 million for tourism marketing from GREAT.

To ensure that both VisitBritain and VisitEngland's activities are co-ordinated and aligned and that maximum funding is channelled to front line delivery, the Government announced that VisitBritain and VisitEngland would not separate but work closer together. In governance terms, the VisitEngland Board would revert to its original statutory role as an Advisory Board to the British Tourist Authority.

Our aims continue to be to:

- Market the nations and regions of Britain overseas to drive growth in international leisure and business tourism
- Maintain distinct activities to develop and market England tourism

¹ VisitBritain and VisitEngland are legally constituted as the British Tourist Authority (BTA) under the Development of Tourism Act 1969.

In light of this focus from Government, the changes in our markets and in the way consumers book their travel and consume their media and a clear change of focus for VisitEngland, we reviewed our structures. Our new organisation is an integrated business with focused resources and ring-fenced budgets for both VisitBritain and VisitEngland, delivered by both dedicated and shared staff. There are dedicated directors for England and for international markets alongside the CEO and a group of directors representing both Britain and England.

VisitBritain's international network is widely regarded as a great asset for tourism businesses as well as the nations and regions, delivering a depth of understanding of international customers and markets. We will be investing more in our network, restructuring into four consolidated hubs with central teams that can be flexed across a wider range of markets. More senior people are being employed at the hubs, taking responsibility for key areas such as partnerships and public diplomacy engagement.

VisitEngland's focus is on the development and delivery of the Discover England fund for product development to ensure that bookable regional product is being sold in international markets. The England Director leads on engagement, development and delivery of the fund and the England Action Plan.

Implementation of the new structure will be progressively set up between the end of 2015/16 and the beginning of the new financial year.

Corporate Priorities in 2016/17

Following the Spending Review settlement and requirements, the new priorities in 2016/17 will be as follow:

1. Develop and implement a new organisational strategy	<p>The BTA relies on the quality, skills and expertise of our staff. We need to ensure that we:</p> <ul style="list-style-type: none"> ▪ Complete our recruitment plan for the new staffing structure; ▪ Retain and motivate staff through positive engagement and with opportunities to influence, develop and learn; ▪ Evolve our organisational culture and new ways of working; ▪ Provide a work environment which engenders productivity, innovation and commerciality.
2. Develop and deliver the Discover England Fund	<p>A new 3-year £40 million fund which aims to develop bookable regional tourism products in line with market trends and in response to consumer demands and in the longer term grow inbound tourism in the regions of England and increase the competitiveness of England's tourism offer in the international and domestic markets.</p>
3. Deliver and amplify the GREAT OMGB Marketing campaigns	<ul style="list-style-type: none"> ▪ One centralised strategy for #OMGB to align activity and build brand equity and trust along the visitor journey; ▪ One campaign, one direction, one team managed centrally, planned market by market; ▪ Across the GREAT (including the UK) and non-GREAT markets there will be contained campaigns across digital, PR, partners and media activation that will allow flexibility to dial up the right messages at the right time to the right people.
4. Implement a coherent Digital and Content strategy for Britain and England	<ul style="list-style-type: none"> ▪ Timely planning, delivery, evaluation and optimisation of digital activities (including web, search, display, social, email, CRM and content marketing) to support the delivery and amplification of #OMGB and partnership campaigns; ▪ Identifying relevant insights, actions and outcomes from data to successfully meeting the digital needs of visitors on a per market basis.
5. Build our commercial capabilities across retail and product development	<p>One of the recommendations of the DCMS single departmental plan, implemented following our funding announcements.</p> <p>A key focus in order to make a bigger impact in and for the industry; leveraging public investment to secure visitor growth targets. Our aim is to see increased conversion from awareness and aspiration to travel.</p>

<p>6. Deepen our partnership relationships</p>	<p>To deepen our partnership relationships and to share common agendas, in order to maximise our reach and impact</p> <p>Commercial</p> <ul style="list-style-type: none"> ▪ Develop longer term strategic partnerships working with Market leaders by sector and leveraging the value of VisitBritain assets including data, insights, product development, and tactical marketing; ▪ The approach to be supported by regional relevant partners. To drive a 'one Partnership team' global ethos. <p>Strategic partners</p> <ul style="list-style-type: none"> ▪ Agree a shared agenda as set out in the High-Level Marketing Plan; ▪ Ensure regular reporting back on joint delivery through the BMB and Strategy directors group. <p>Public Diplomacy Partners</p> <ul style="list-style-type: none"> ▪ Put tourism on the agenda of GREAT partners, ensuring it is included in their planning and activity. Ensure VisitBritain and Tourism is a natural partner in bids for new funds such as the GREAT Challenge fund.
<p>7. Establish a clear strategy and role in the Business Visits and Events sector</p>	<p>A clear requirement from the Spending Review announcements</p> <p>Under the Events are GREAT umbrella, our work will add value to the work of strategic partners and the UK industry to build demand for hosting business events in Britain, and support identified bids to win business through a marketing support fund.</p> <p>This work will bring a new dimension the marketing of England as a business events destination.</p> <p>VisitBritain and VisitEngland will adopt central roles on the Events Industry Board.</p>

Targets and Outcomes

Our approach to target setting has been guided by three key principles:

- Data-driven targeting and prioritisation
- Alignment with targets and priorities set by VisitEngland, Visit Scotland and Visit Wales
- Identification and quantification of the trade-offs between different strategic options

The target is derived from the Oxford Economics' Tourism Decision Metrics model. These forecasts are based on historic International Passenger Survey (IPS) data. The IPS data is fed into the Oxford forecasting model which uses a variety of key measures, such as macroeconomic drivers for each inbound market, to forecast visitor numbers, nights and spending to the UK. For 2016, Oxford forecasts visits to the UK to grow by 3.8% and spending by 3.2%. In 2017, visits are forecast to grow by 5.1% and spending by 6.5%.

Using this baseline forecast, VisitBritain has set a target for its investment to deliver incremental spend and visits growth at a rate of +1.5% above the market level of growth (measured by the International Passenger Survey²).

VisitBritain's regional targets, aim is for the IPS +1.5% growth to be delivered equally across all nations, are based on VB delivery in relation to its interventions and budgets, and looks at channels and markets for Britain and for each of the nations. These have been discussed and agreed at the CEOs, followed up with discussions with nominated research heads, and agreed at the BTA Board. Final targets will be confirmed by the Secretary of State for Culture Media and Sport.

Delivery within the Funding Envelope

At the conclusion of the Comprehensive Spending Review (CSR) 2015, we have secured a settlement agreement for the period from 2016/17 to 2019/20. The Secretary of State has agreed a relatively positive financial settlement for the BTA; and within this made clear his expectations for future governance, efficiency and effectiveness, outcomes, and in addition a number of new priorities.

In spite of the settlement, the BTA is faced with a challenge to balance its budget; maintaining a number of ring-fenced budgets, addressing cost pressures and delivering new responsibilities within existing cash-funds. We seek to address this by establishing clear prioritisation within our investment and resource allocation processes, a focus on efficiency and productivity and will look to increase opportunities for new revenue streams.

The new Discover England Fund will be phased over a 3-year period, with £6.5m in 2016/17, followed by future tranches of grant; £11.76m (2017/18) and £22m (2018/19).

We have also seen an uplift in GREAT funding to £22.8m across VisitBritain and VisitEngland; enabling further extension and development of Campaigns to market our Nations and Regions across key International Markets.

Risks and Opportunities

There are several key areas of uncertainty that have a potential impact on the budget for this year:

- **Capacity and Capability:** Targets are set with an expectation of capacity and capability delivered through the new organisational and staffing structure. As we transition to the new structure there is risk of delays for recruiting, while the inevitable disruption of change could impact retention of staff. Close monitoring will be required; where temporary arrangements are required this may impact on budgets and affordability.

² The International Passenger Survey is a continuous survey run by the Office for National Statistics at all major ports of exit from the United Kingdom (airports, ferries, Eurostar, Eurotunnel). Around 40,000 face-to-face interviews per year are conducted with inbound visitors at the end of their visit to the UK. The key metrics from the survey are visit numbers and spending by inbound visitors.

- **Partnership funding:** The development of the new partnership strategy is still in progress, budget estimates will be revisited once arrangements more developed and the nature of relationships (Cash, MIK or other) is clearer.
- **The impact of Procurement Regulations and Government Spending Controls:** we have developed a new compliant framework to work with partners, but it has affected Non-Government income over the last 18 months. As the revised partnership strategy is developed, we will be able to consider the relevant frameworks and potential impact more fully.
- **Currency fluctuations:** Working across a global market and multiple currencies can pose financial risks to budgets. While measures can be put in place to mitigate, volatility in markets are difficult to predict and balance.
- **UK irrecoverable VAT:** The outcome of the HMRC business/non business VAT recovery method audit is still unknown. An estimate of the additional irrecoverable VAT costs have been included in the budgeted across activity lines and an additional contingency budget has been ring-fenced. Future changes in accounting policy, with regard to revenue recognition, will need to be considered and may impact on the proportion of recoverable VAT outside of the retail operation.
- **Pension liabilities:** The BTA is in the process of reviewing its accrued and future pensions' liabilities. While provision has been made in the budget, current and future costs will require continued review.

Funding for 2016/17

	BTA (VB&VE)	VB	VE	Notes on Income
	£'000	£'000	£'000	
GIA - Core	26,532	19,554	6,978	
Other Grants				
GREAT Funding	22,800	20,300	2,500	<i>Per the allocation letter from DCMS</i>
Discover England	6,500		6,500	
Loch Ness	500	500		
Tour de Yorkshire	500		500	
Other*	240		240	
Transfer (to)/from VE	-	400	(400)	<i>Agreed GREAT fund transfer between VB & VE from 2015/16</i>
Total GIA & Other Grant Funding - Resource	57,072	40,754	16,318	<i>Total Resource GIA funding from DCMS</i>
GIA Funding - Capital	500	400	100	<i>Capital GIA provisional allocation from DCMS but there is an opportunity to bid for additional</i>
Other Non-government income (NGF)				
Partnership funding - Core	2,625	2,445	180	<i>Private sector cash match funding and contribution on campaigns, exhibitions, trade/events, etc.</i>
Partnership funding - GREAT	3,850	3,850	0	
B2B NGF - Core	1,147	1,147	0	
Retail - Net Contribution	2,070	2,070	0	<i>This is the net contribution from retail activity after covering all costs (both direct and indirect overheads)</i>
Other Income	1,045	303	742	<i>This is income from publishing activities (VB) and QIT (VE)</i>
Total NGF (including Retail Net Contribution)	10,736	9,815	922	
Total income (GIA, Other Grant & NGF)	68,308	50,969	17,340	

Appendix 1 gives more detail of income and expenditure budget with the 2016/17 budget comparisons.

- £813 million of additional visitor spend through its Core and GREAT programme funding

- 1.3 million additional visitors to Britain therefore partnership funds and resources continue to reflect this trend.

Figure 1 - Gross Investment by Regions

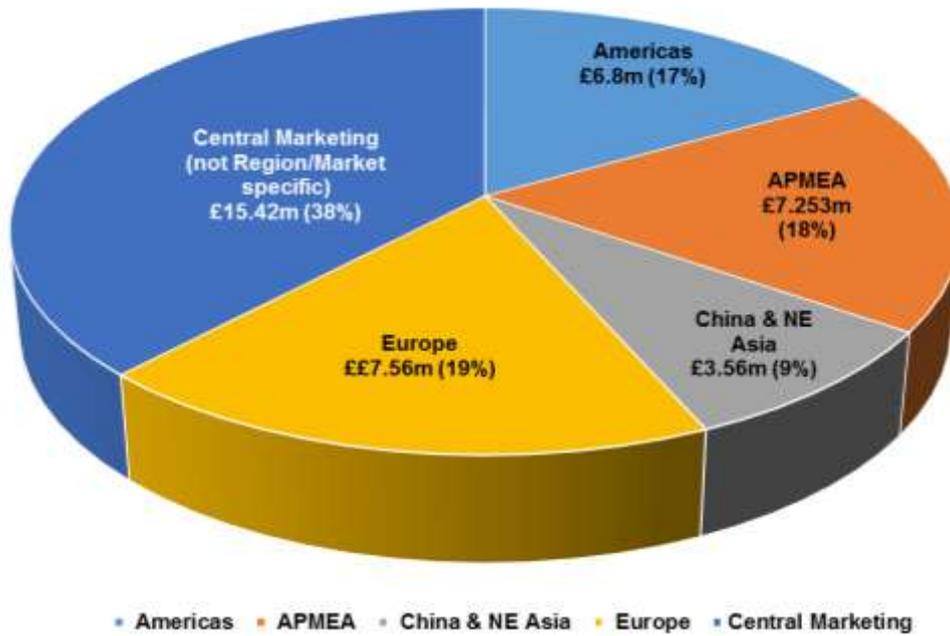
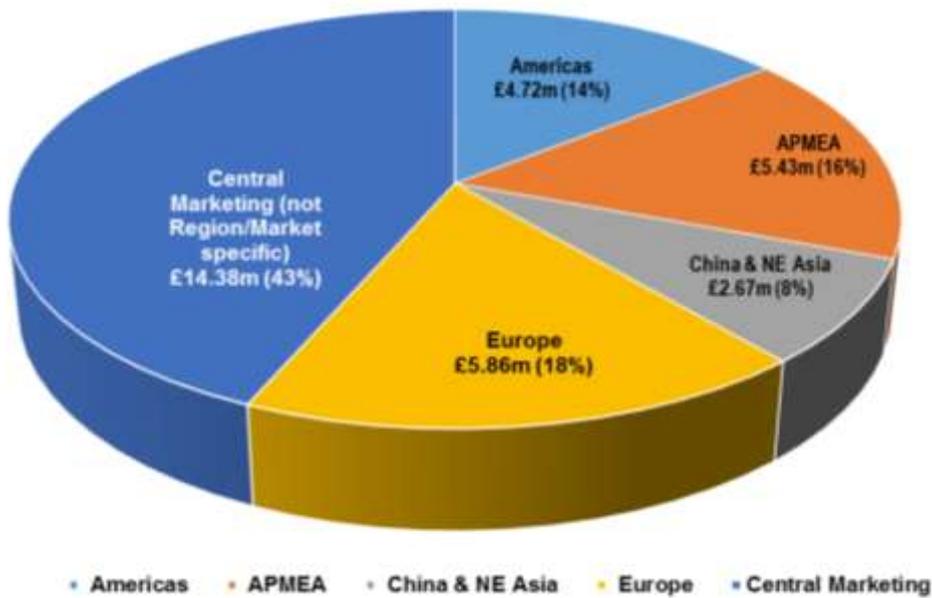


Figure 2 - Net/GIA - Investments by Regions



3. OUR ACTIVITY

As a result of the 2015 Spending Review announcements, we reviewed our structures. VisitBritain and VisitEngland will work closer together in an integrated organisation.

Four new Directorates will be created at the international level to support growth in the markets; a new dedicated England Directorate will focus on the delivery of the Discover England Fund; and a new Commercial Directorate is created to develop our commercial approach.

Both dedicated and shared staff will deliver activities in the newly shared Marketing and Strategy and Communications Directorates, while the Shared Business Services will continue to provide support across all Directorates.

This new structure is represented in the chart below:



The following sections detail our key and specific Directorate activities in 2016/17 to deliver our new corporate priorities. The section will not cover details of *business as usual* activities.

Directorates

Marketing

The International Network

Commercial

England

Strategy and Communications

Business Services

Marketing

VisitBritain is accountable for the tourism promotion of Britain, its nations and regions, overseas. This will be delivered through the GREAT campaign and the management of an international marketing budget, in partnership with VisitScotland and Visit Wales, and through integration of the international marketing of England as determined by the CSR settlement of November 2015.

As described above, we have set a target to deliver growth in visitor spend for Great Britain in terms of 1.5% above predicted growth (as identified by Oxford Economics). This growth will be delivered across England, Scotland and Wales with a focus on ensuring that visitors explore our nations and regions.

Digital is at the heart of marketing with a focus on content creation, curation and distribution for England and Britain. We continue to be an effective GREAT partner working with public diplomacy partners to deliver internationally and the Holidays at Home are GREAT campaign domestically. This marketing to drive the aspiration to travel is supported by our work with the international travel trade and intermediaries to ensure that customers can easily book regional destinations. And our work continues to be informed by our knowledge of both domestic and international customers, delivered by dedicated England and Britain research teams.

Business Visits and Events is a priority area for both VisitEngland and VisitBritain. We will be building a new team delivering an international platform for England and, at a Britain level, working across Government to build demand for key industry sector events and support bids. Both England and Britain will be on the newly formed cross-Government Events Industry Board.

Despite the fact that VisitBritain and VisitEngland will work closer together, dedicated brands will remain for the two organisations. Shared and dedicated members of staff will work under the same Directorate to deliver Marketing activities for both brands.

The key Marketing activities will lead on a number of activities which are detailed below (more details available in the Marketing Plan) in support of the corporate objectives:

Corporate priorities related to the Marketing activities:

1. Develop and implement a new organisational strategy
2. Develop and deliver the Discover England Fund
3. Deliver and amplify the GREAT OMGB Marketing campaigns
4. Implement a coherent Digital and Content strategy for Britain and England
5. Build our commercial capabilities across retail and product development
6. Deepen our partnership relationships
7. Establish a clear strategy and role in the Business Visits & Events sector

Corporate Priority	2016/17 Marketing Activities	Description	Outputs	Outcomes
Priority 6	Drive the tourism promotion of Britain, its nations and regions, overseas	<ul style="list-style-type: none"> ▪ Through the GREAT campaign as well as our core GIA ▪ Working with Strategic Partners to focus on global (multi-market), high-profile campaigns that deliver high awareness and Returns on Investment (ROI), and allow VisitBritain to deliver economies of scale and reinforce our focus on marketing excellence, innovation and creativity 	<ul style="list-style-type: none"> ▪ Host key international travel/lifestyle media and influencers to experience Britain to generate content across Britain throughout the year ▪ Influence international travel/lifestyle media and influencers through various communication tactics – newsletters, press releases, story ideas, events, imagery and broadcast quality footage 	<ul style="list-style-type: none"> ▪ Increased editorial coverage encompassing key messages in international media outlets and audiences ▪ Deliver a ROI of 25:1 on investment
Priority 3	Continue to deliver the GREAT tourism programme and amplify the GREAT OMGB Marketing campaigns	<ul style="list-style-type: none"> ▪ Continue to play a lead role in the GREAT campaign working with Government agencies and Departments to position Britain as a great place to visit, study, invest in and do business with ▪ Includes the Holidays at Home are GREAT, the FCO managed GREAT Challenge Fund, GREAT Inverness Loch Ness Campaign, and Shakespeare 2016 programmes ▪ In 2016/2017, £30.6 million investment in GREAT campaign activities, including £23.3m GREAT funding and £7.3 million of additional value in cash, matched investments and Marketing in Kind from the private sector ▪ Focus on four key stages of the consumer journey (Inspire; Consideration; Planning and booking; Sharing and Advocacy) ▪ Deliver through a global approach and market customisation, ensuring the right message and product are delivered at the right time to the right audience; clear path to purchase through in market activity linking partners and B2B developments ▪ Align new product promotion from the Discover England Fund to global activity to ensure an integrated approach to promoting Britain and new England product 	<ul style="list-style-type: none"> ▪ Deliver compelling communication campaigns that directly challenge significant barriers in a territory that can flex across a range of activities to appeal to our audience, whilst giving opportunities for audience involvement ▪ Deliver these across the consumer cycle from inspiration to conversion to advocacy 	<ul style="list-style-type: none"> ▪ Deliver a ROI of 25:1 on investment ▪ Position Britain as a fun, stimulating, welcoming place that's full of surprising immersive experiences; counter negative and reinforce positive perceptions of Britain ▪ Drive regional spread of international visitors by communicating the diversity of Britain's offer and the amazing moments consumers can have, book and share across the nations and regions under the #OMGB campaign

<p>Priority 4</p>	<p>Build out the content marketing capabilities supported by enhanced digital platforms</p>	<ul style="list-style-type: none"> ▪ Increased focus on content aggregation, creation, curation and distribution ▪ Harness user generated content and third party endorsements to authenticate the experiences to be had in Britain ▪ Evolve our social media presence to create advocates for the Britain brand and maximise the opportunities of the new technology by engaging in a dialogue with consumers ▪ Evolve the functionality of our digital platforms and services 	<ul style="list-style-type: none"> ▪ Develop organisation-wide two-year master content calendar ▪ Create tools to enable international markets to localise content ▪ Develop relationships with key influencers and boost user-generated content ▪ Consistent engagement on social channels ▪ Creation of international Content Champs ▪ Introduce Agile ways of working for planning, delivery, evaluation and optimisation 	<ul style="list-style-type: none"> ▪ Organised flow of content maintaining brand and tone of voice in all markets ▪ Increased visits to our digital platforms and to content provided to 3rd parties ▪ Heightened engagement and reach of social messaging ▪ Growth in the awareness of our activity and effect on motivation to travel ▪ Platforms and services that visitors prefer to use
<p>Priority 7</p>	<p>Undertake international business events promotion at a Britain level</p>	<ul style="list-style-type: none"> ▪ Working alongside Strategic Partners (including key cities), UK Industry, UKTI and GREAT, playing an active role on the newly formed cross-government Events Industry Board ▪ Development of a strategic, Britain level approach to win events for the whole nation, built around key priority areas: <ul style="list-style-type: none"> ○ Build demand to support Britain's competitive position ○ Support Winning of Bids to increase conversion ○ Welcome (work with UKV&I, carriers and gateways to enhance welcome; 'Civic' welcome; development of assets to support delegate promotion) <p>The role of England is integral to the success of VisitBritain's activity in the BV&E sector. More details about England activities are covered in the England Action Plan.</p>	<p>Detailed outputs to be determined from the BV&E Strategy that is in development, and subject of a Board discussion paper (April 2016)</p>	<p>Quantifiable outcome targets will be determined from the BV&E strategy.</p> <p>Long term (2-4 year horizon) outcomes will be:</p> <ul style="list-style-type: none"> ▪ An uplift in demand to host events in Britain, and value from events held in the UK ▪ An increase in successful bids as a result of intervention from the marketing support Fund ▪ An enhanced welcome experience for delegates arriving in Britain for event ▪ A more targeted approach to event bidding resulting from insights provided to British destinations and strategic partners, coupled with a more forensic evaluation of the value of business visits and events to the UK economy.

<p>Priority 5</p>	<p>Working with travel trade to improve connectivity, conversion and saleability of UK tourism product</p>	<ul style="list-style-type: none"> ▪ Continue to focus on delivering improvements to the range of Britain product promoted overseas, and its route to market ▪ Improvements to B2B platforms to ensure that UK suppliers are provided with effective routes to market ▪ Continue to organise and participate to B2B events (overseas trade missions, World Travel Market, International Luxury Travel Market, ExploreGB...) ▪ BritAgent, VisitBritain e-learning programme providing specialised product and destination knowledge to sell Britain more effectively ▪ Introduction of a new travel trade website to contribute itinerary suggestions, trade opportunities and toolkits to help promote sales for international trade ▪ Evolving the GREAT Welcome into a broader more tangible welcome programme to engage successfully with different markets (GCC markets and South Korea added to the existing Chinese programme); new toolkit for industry outlining in detail hard product, soft product and service requirements 	<ul style="list-style-type: none"> ▪ Deliver target numbers of the right attendees at events and on platforms ▪ High satisfaction levels of attendees at events and on platforms 	<ul style="list-style-type: none"> ▪ Additional business generated for UK companies as a result of engaging with VisitBritain's trade activities ▪ Additional customers brought to Britain by overseas intermediaries as a result of VisitBritain's trade engagement with them, and the resultant incremental spend
<p>Priority 1</p>	<p>Develop and implement a new organisational strategy</p>	<ul style="list-style-type: none"> ▪ Implement new organisational structure ▪ Build on talent and skills to provide the capability we need; specifically across digital ▪ Rebrand internally to a single team ▪ Equip staff to understand and navigate a more matrix approach to working ▪ Develop further to leadership, mobility, performance management and reward and recognition ▪ Review Processes ▪ Deliver efficiency/ productivity targets ▪ Engage with PMO and Project management Approach 	<ul style="list-style-type: none"> ▪ Combined Marketing team in place ▪ Positive feedback from staff and perceptions ▪ L&D plan in place with agreed priorities and resources ▪ New and robust processes in place ▪ Efficiency/ productivity targets delivered 	<p>Streamlined and effective business aligned with our strategy</p>

The International Network

From 2016 VisitBritain's international operations will be streamlined into four regional groupings – the Americas; Europe; Asia Pacific, Middle East & Africa; and China & North-East Asia. Each of these regions will have a new international Director responsible for owning the demand side of the business across our key inbound markets.

Alongside this there has been a repositioning of VisitBritain's international operations. Key inbound markets across North America and Europe will see an increase in focus. Meanwhile in Brazil, Japan and Russia – still important markets, but where recent visitor numbers and forecasts for the next few years are not as strong – there will be a downweighting of activity. VisitBritain is also establishing a presence in new locations such as Guangzhou, Riyadh and Seoul to reflect the growing importance of China, the Middle East and other growth markets in Asia.

The key International Network activities will lead on a number of activities which are detailed below in support of the corporate objectives:

Corporate priorities related to the International Network activities:

1. Develop and implement a new organisational strategy
2. Develop and deliver the Discover England Fund
3. Deliver and amplify the GREAT OMGB Marketing campaigns
4. Implement a coherent Digital and Content strategy for Britain and England
5. Build our commercial capabilities across retail and product development
6. Deepen our partnership relationships
7. Establish a clear strategy and role in the Business Visits & Events sector

Corporate Priority	2016/17 International Network Activities	Description	Outputs	Outcomes
Priorities 1, 4 and 5	Across all markets	<ul style="list-style-type: none"> ▪ Implement our new internal structure ▪ Capitalise on our digital expertise by focusing on distributing relevant content to the customer through the right channel ▪ Capitalise on our commercial expertise to make strategic interventions with key intermediaries to ensure Britain is being sold to the customer 		The International Network works on behalf of the whole organisation and deliver the same outputs and outcomes as the other Directorates in the organisation.
	Growth markets	Evolution of the 'Nurture market' programme into a fully-fledged programme for all international markets, allowing a low-cost means of extending reach into growth markets around the world – such as Latin America, Eastern Europe and South-East Asia – working closely with UK Government, travel industry and commercial partners		
Priorities 3, 4, 5, 6, and 7	Americas	<ul style="list-style-type: none"> ▪ Reverse the decline in numbers from the US ▪ Revitalise the Britain brand proposition and building new and repeat business in North America ▪ Continue to build growth markets in Latin America 		
Priorities 3, 4, 5, 6, and 7	Europe	<ul style="list-style-type: none"> ▪ Generate growth in regional travel and dispersion from core near-European markets through new and repeat business ▪ Develop partnerships with commercial intermediaries to build a range of product distributed to the customer ▪ Drive conversion, and build awareness of reasons to 'travel now' and change perceptions through compelling and engaging content 		

<p>Priorities 3, 4, 5, 6, and 7</p>	<p>Asia Pacific, Middle East and Africa</p>	<ul style="list-style-type: none"> ▪ Leverage our commercial partnerships – in particular with airlines – to open up distribution and promotion opportunities across diverse Asian markets ▪ Build compelling content targeting core drivers for travel through traditional and digital channels ▪ Address barriers to travel 		
<p>Priorities 3, 4, 5, 6, and 7</p>	<p>China & North-East Asia</p>	<ul style="list-style-type: none"> ▪ Set up a long-term investment plan and work with UK Government partners to boost inbound travel ▪ Stay ahead of the competition using influencers and brand partnerships to drive compelling content ▪ Address barriers to travel 		
<p>Priority 1</p>	<p>Develop and implement a new organisational strategy</p>	<ul style="list-style-type: none"> ▪ Implement new organisational structure ▪ Build on talent and skills to provide the capability we need; specifically across partnership and public diplomacy, digital and commercial <ul style="list-style-type: none"> ▪ Equip staff to understand and navigate a more matrix approach to working ▪ Develop further to leadership, mobility, performance management and reward and recognition ▪ Review Processes ▪ Deliver efficiency/ productivity targets ▪ Engage with PMO and Project management Approach 	<ul style="list-style-type: none"> ▪ Four Directors in place and recruitment of 95% of posts ▪ Positive feedback from staff and perceptions ▪ L&D plan in place with agreed priorities and resources ▪ New and robust processes in place ▪ Efficiency/ productivity targets delivered 	<p>Streamlined and effective business aligned with our strategy</p>

Commercial

The Commercial Directorate will be a new directorship in our organisation, focusing on ownership and leverage of the supply-side domestically and internationally. Product development and distribution will become core activities. Partnerships will be developed across the organisation and their scope widened to a commercial perspective. VisitBritain will continue to develop its retail activities. In 2016/2017 we intend to generate revenue through new initiatives and business channels, which will enable us to maximise reinvestment in VisitBritain's wider activity.

The key Commercial activities will lead on a number of activities which are detailed below in support of the corporate objectives:

Corporate priorities related to the Commercial activities:

1. Develop and implement a new organisational strategy
2. Develop and deliver the Discover England Fund
3. Deliver and amplify the GREAT OMGB Marketing campaigns
4. Implement a coherent Digital and Content strategy for Britain and England
5. Build our commercial capabilities across retail and product development
6. Deepen our partnership relationships
7. Establish a clear strategy and role in the Business Visits & Events sector

Corporate Priority	2016/17 Commercial Activities	Description	Outputs	Outcomes
Priority 5	Product development and distribution across England and Britain	<ul style="list-style-type: none"> To work with Partners, suppliers and our regions to support the development of product to target market requirements To proactively influence and develop solutions to key areas of challenge to international visitors (e.g. rail) 	<ul style="list-style-type: none"> Development of new and bespoke itineraries to meet market requirements with our Partners Work with Partners and suppliers to develop solutions 	<ul style="list-style-type: none"> Deliver an increased number of visitors regionally Deliver an increased number of visitors to new experiences Increase customer Advocacy
Priority 5	Retail product development and effective distribution through the retail online shop network	<ul style="list-style-type: none"> Proactively target new suppliers to support Regional dispersal Leverage our existing supplier base for improved offers and increased product offering Increase engagement through the customer journey 	<ul style="list-style-type: none"> Increase product availability and offers through existing suppliers Contract new suppliers where we have a regional gap Implement a CRM program to existing and new customers 	<ul style="list-style-type: none"> Increased sales and profit Increased average spend per customer Improved retention and lifetime value per customer Customer advocacy
Priority 5	Maximising efficiency through the retail online shop network from acquisition channels through the customer journey to purchase	<ul style="list-style-type: none"> Continue to review the performance of the web platform Adopt XML functionality which will allow us to sell products in real time availability and on the basis of flexible pricing, to open up our potential market even further 	<ul style="list-style-type: none"> Develop a platform BAU support agreement Work with suppliers who have direct connectivity ability (API) 	<ul style="list-style-type: none"> Improved platform stability impacting customer experience Increased sales through product and offer availability
Priority 6	Develop longer term strategic partnerships working with market leaders by sector and leveraging the value of VisitBritain assets including Brand, status, data, insights, product development and tactical marketing	<ul style="list-style-type: none"> Review and rationalisation of existing Partnerships versus overall by market requirements Commercialisation of VisitBritain assets Target new Partnerships in emerging sectors to facilitate new audience growth 	<ul style="list-style-type: none"> Portfolio of relevant partnerships Implement a program of activity: inspiration, intent, conversion and advocacy Test and learn approach in new sectors 	<ul style="list-style-type: none"> Additional visitors by key markets Regional dispersal Efficiencies in overall investment Increased effectiveness through commercialisation; Reach new audiences

Priority 6	The approach to be supported by regional relevant partners. To drive a 'one Partnership team' global ethos	<ul style="list-style-type: none"> ▪ Implement a structured framework to manage global/ regional partners with transparency across the business ▪ Build global delivery team across all functions ▪ Empower local engagement 	<ul style="list-style-type: none"> ▪ Develop and implement the Partnership CRM system (SUGAR) to enable transparency, ownership and monitoring capability ▪ One Global team delivering tailored partnerships to mutual benefit 	<ul style="list-style-type: none"> ▪ Focused strategy on each Partnership optimising skills, capabilities and global reach ▪ Delivering against corporate visitor, spend and dispersal targets
Priority 1	Develop and implement a new organisational strategy	<ul style="list-style-type: none"> ▪ Implement new organisational structure ▪ Build on talent and skills to provide the capability we need; specifically across partnership and commercial ▪ Rebrand internally to a single team ▪ Equip staff to understand and navigate a more matrix approach to working ▪ Develop further to leadership, mobility, performance management and reward and recognition ▪ Review Processes ▪ Deliver efficiency/ productivity targets ▪ Engage with PMO and Project management Approach 	<ul style="list-style-type: none"> ▪ New Directorship and combined Commercial team in place ▪ Positive feedback from staff and perceptions ▪ L&D plan in place with agreed priorities and resources ▪ New and robust processes in place ▪ Efficiency/ productivity targets delivered 	Streamlined and effective business aligned with our strategy

England

The England directorship is responsible for developing an England Action Plan focused on the following key priorities set out by the Government for the three year period commencing 2016/2017:

- Developing the English tourism product through the delivery of the £40m Discover England Fund;
- Support for Business Visits and Events in England;
- Additional business as usual or cross-cutting supporting activities.

The key England activities will lead on a number of activities which are detailed below (more details available in the England Action Plan) in support of the corporate objectives:

Corporate priorities related to the England activities:

1. Develop and implement a new organisational strategy
2. Develop and deliver the Discover England Fund
3. Deliver and amplify the GREAT OMGB Marketing campaigns
4. Implement a coherent Digital and Content strategy for Britain and England
5. Build our commercial capabilities across retail and product development
6. Deepen our partnership relationships
7. Establish a clear strategy and role in the Business Visits & Events sector

Corporate Priority	2016/17 England Activities	Description	Outputs	Outcomes
Priority 2	Developing the English tourism product through the delivery of the £40m Discover England Fund (DEF)	<p>The Fund will be delivering world-class, stand-out, bookable regional tourism products in response to market opportunities and consumer needs and in the longer term will drive an increase in inbound visits and spend and support the domestic market.</p> <p>The Fund will be available from 2016/17 for three years and will have two distinct bidding rounds:</p> <ul style="list-style-type: none"> ▪ Year one will be small projects that test and trial new approaches to product development and collaboration ▪ Years 2/3 will support large-scale collaborative and innovative bids that join-up the product offering across geographies and themes. <p>A key element of the Fund will be new research, capturing and sharing learning and good practice for the benefit of the wider industry, including collaborative approaches.</p>	<ul style="list-style-type: none"> ▪ DEF projects awarded in line with criteria: <ul style="list-style-type: none"> ○ 10-20 Year 1 projects ○ 4-8 Year 2/3 projects ▪ Support package for Year 2/3 projects ▪ New product / itineraries launched in market 	<ul style="list-style-type: none"> ▪ Market outcomes: additional visits from domestic and international leisure markets (national / relating to Fund projects); new product uptake by trade; additional events confirmed ▪ Partnership and Capacity outcomes: effective co-ordination of Fund and wider tourism partnerships; partnerships active beyond the fund activity; replicability of fund projects; DMO capacity enhanced as a result of activities (e.g. BV&E, research) ▪ Legacy outcomes; e.g. fund projects stimulate new product development initiatives in other areas of England
Priority 7	Support for Business Visits and Events in England	<ul style="list-style-type: none"> ▪ VisitEngland, alongside VisitBritain, will be represented on the cross-Governmental Business Visits and Events Board ▪ VisitEngland will focus its activity in six key areas: product/event development and bid support; provision of international sales and marketing platforms for English partners; direct national government support; advocacy for business events; research and insights; understanding and sharing global best practice 	Presence at key trade shows and exhibitions	England among business target groups

<p>Priority 4</p>	<p>Additional business as usual or cross-cutting supporting activities</p>	<ul style="list-style-type: none"> ▪ Brand, marketing and promotion of England domestically and internationally ▪ SME engagement, including business support, England events and the Quality schemes will be reviewed in response to Government priorities: <ul style="list-style-type: none"> ○ Define VisitEngland role to support businesses (currently includes Business Advice Hub, VisitEngland Awards for Excellence, Quality Edge magazine and destination workshops to upskill businesses) ○ Establish options for Quality Assessment and Assurance Schemes 2016 ▪ Statutory Research and Insights, plus research programme to support Discover England Fund (see Strategy & Communications) ▪ Other Fund related activity (Northern and South West Tourism Growth Funds, UK GREAT Challenge Fund, Hadrian's Wall Connect and Mayflower 2020) 	<ul style="list-style-type: none"> ▪ Consumer campaigns e.g. Holidays at Home are GREAT and digital content/PR delivered ▪ Business support provided to SMEs ▪ Quality Scheme options appraised and decisions implemented ▪ Statutory and Fund research commissioned, delivered and shared widely ▪ Other Fund related activity evaluated and final learnings shared 	<ul style="list-style-type: none"> ▪ Perception outcomes: improved perceptions of England among leisure (international and domestic) and business target groups (international) ▪ Competitiveness outcomes: business supported to improve performance and implementing changes; revised QA scheme meeting new objectives in driving business performance ▪ ROI for marketing and Fund related activity ▪ Businesses and industry better informed through research and incorporating into decision-making and future planning
<p>Priority 1</p>	<p>Develop and implement a new organisational strategy</p>	<ul style="list-style-type: none"> ▪ Implement new organisational structure ▪ Build on talent and skills to provide the capability we need; specifically across product development and fund management ▪ Equip staff to understand and navigate a more matrix approach to working ▪ Develop further to leadership, mobility, performance management and reward and recognition ▪ Review Processes ▪ Deliver efficiency/ productivity targets ▪ Engage with PMO and Project management Approach 	<ul style="list-style-type: none"> ▪ New Directorship in place ▪ Positive feedback from staff and perceptions ▪ L&D plan in place with agreed priorities and resources ▪ New and robust processes in place ▪ Efficiency/ productivity targets delivered 	<p>Streamlined and effective business aligned with our strategy</p>

Strategy and Communications

The research and communications functions for both England and Britain will come together into a single team with dedicated staff. We will step up our engagement with the Public Diplomacy Partners, the National Boards, and England partners; develop our communications across all our stakeholder groups and with our staff as we become one organisation; and continue to work closely with our sponsoring department (DCMS), Ministers and industry.

VisitBritain's strength is its understanding of customers and markets. We will continue to develop our research and analysis competence, ensuring that we are increasing focus on future trends and building the team in London to share this intelligence across the network. Data based decision making will be core to the new organisation, informing our product development and marketing functions we will continue to deliver.

The key Strategy and Communications activities will lead on a number of activities which are detailed below in support of the corporate objectives:

Corporate priorities related to the Strategy and Communications activities:

1. Develop and implement a new organisational strategy
2. Develop and deliver the Discover England Fund
3. Deliver and amplify the GREAT OMGB Marketing campaigns
4. Implement a coherent Digital and Content strategy for Britain and England
5. Build our commercial capabilities across retail and product development
6. Deepen our partnership relationships
7. Establish a clear strategy and role in the Business Visits & Events sector

Corporate Priority	2016/17 Strategy and Communications Activities	Description	Outputs	Outcomes
Priorities 2 and 3	Continue to deliver our research and analysis competence for Britain and England	<ul style="list-style-type: none"> ▪ Support Discover England Fund through primary and secondary research ▪ Develop a more forward-looking approach to insights ▪ Introducing improvements to the evaluation methodology ▪ Deliver world-class insights, research and evaluation to support the UK tourism industry and to underpin VisitBritain and VisitEngland's decision-making and competitive analysis 	<ul style="list-style-type: none"> ▪ Reporting on IPS data and statutory England research such as the Great Britain Tourism Survey and the Great Britain Day Visits Survey ▪ At least 50% of UK businesses with which we work say that our advice and market intelligence has supported their decision making ▪ Evaluation of campaign and digital activities, B2B and B2C activity, GREAT, domestic brand and regional fund campaigns 	<ul style="list-style-type: none"> ▪ VisitBritain able to run effective marketing campaigns and measure our impact and delivery ▪ Research, evaluation and analytics evidence is used to inform marketing choices, both tactical and the selection of campaign partners ▪ Industry informed on markets, trends and customers and able to build export capabilities in international markets
Priorities 2, 3 and 6	Step up our destination partner engagement with account management of nations, regions and Public Diplomacy Partners	<ul style="list-style-type: none"> ▪ Step up engagement process with the National Boards ▪ Engage with England partners to ensure a strong voice for England ▪ Work with the FCO and GREAT team in London to ensure that tourism is central to HMG thinking ▪ Agree a shared agenda with our Strategic Partners. Ensure regular reporting back on joint delivery through the BMB and Strategy directors group 	<ul style="list-style-type: none"> ▪ Build processes – the MoU, HLMP and SLAs – and ensure quarterly reporting back of results including attendance at Strategy Directors meetings ▪ Structured engagement with England partners to support the Fund ▪ Increased share of voice for tourism on the international stage and in the British media 	<ul style="list-style-type: none"> ▪ VisitBritain works closely with the Devolveds on a shared agenda ▪ Tourism is on the agenda of GREAT partners, and included in their planning and activity ▪ VisitBritain and Tourism are a natural partner in bids for new funds such as the GREAT Challenge fund

	Continue to develop communications across all our stakeholder groups and with our staff as we become one organisation	<ul style="list-style-type: none"> ▪ Deliver a co-ordinated and integrated VisitBritain/VisitEngland internal and external communications strategy and programme ▪ Strengthen contacts with trade press, business, economic and specialist media ▪ Maintain our strong reputation in crisis communications and lead the industry through the Tourism Industry Emergency Response Group at times of crisis 	<ul style="list-style-type: none"> ▪ Opinion formers, industry, media and Westminster and Whitehall are kept updated on VisitBritain/VisitEngland activity, delivery and tourism metrics' ▪ Update internal communications platform and continue to develop single platform for VisitBritain/VisitEngland ▪ Leadership at times of crisis to ensure consistent messaging from the tourism industry 	<ul style="list-style-type: none"> ▪ Staff motivated and informed and act as advocates for VisitBritain and VisitEngland ▪ Widespread support for VisitBritain activity ▪ Mitigate impact of external crisis on British tourism
	Maintain our status as a trusted advisor to Government and industry on tourism and competitiveness issues	<ul style="list-style-type: none"> ▪ Advise on the impact on tourism of government policy and ensure that the DCMS tourism team is best equipped to champion the sector ▪ Support the delivery of the Government's five-point plan ▪ Run a parliamentary and policy-makers' engagement programme 	<ul style="list-style-type: none"> ▪ Draft briefing papers, response to PQs and advise DCMS on tourism issues ▪ Support Ministerial visits overseas 	<ul style="list-style-type: none"> ▪ Continues progress on the five-point plan ▪ High profile support for VisitBritain/VisitEngland and the wider tourism sector
Priority 1	Develop and implement a new organisational strategy	<ul style="list-style-type: none"> ▪ Implement new organisational structure ▪ Build on talent and skills to provide the capability we need; specifically across partnership and public diplomacy ▪ Rebrand internally to a single team ▪ Equip staff to understand and navigate a more matrix approach to working ▪ Develop further to leadership, mobility, performance management and reward and recognition ▪ Review Processes ▪ Deliver efficiency/ productivity targets ▪ Engage with PMO and Project management Approach 	<ul style="list-style-type: none"> ▪ Combined Strategy and Communications team in place ▪ Positive feedback from staff and perceptions ▪ L&D plan in place with agreed priorities and resources ▪ New and robust processes in place ▪ Efficiency/ productivity targets delivered 	Streamlined and effective business aligned with our strategy

Business Services

As the Government continues to work to reduce the budget deficit, we will see further restraint in public spending over the next Parliamentary period. The BTA's organisational development goals enables us to meet the strategic goal of growing the value of inbound tourism across the nations and regions of Britain, working in partnership with Government, industry and the National Boards. The new organisational structure will support the delivery of the England Action Plan and the delivery of the New Discover England Fund.

Good governance, along with efficient and effective business processes, serve to ensure the BTA can deliver its strategic and operational plans. The BTA also has a responsibility to ensure that we secure value for money; economy, efficiency and effectiveness from the deployment of public money to conduct its business. While we generally have robust systems, policies and procedures reflecting best practice, we need to ensure that they continue to be relevant and practical for a global organisation in all areas of financial and non-financial governance.

Our organisational development strategy will aim to:

- Deliver our new organisational structure with a plan to recruit, manage and grow our capacity and capabilities;
- Increase effective use of funding and reduce operating costs;
- Improve the delivery-effectiveness of the organisation;
- Create a culture of connected and motivated employees.

Under the new structure the BTA Shared Business Services (SBS) team now comprises the following:

- Company Secretary & General Counsel
- Finance (financial accounting, treasury and financial planning & compliance)
- Procurement & Contract Management
- Human Resources (Policy & Central operations)
- Technology & Infrastructure Support
- Facilities Management (Client function)
- Project Management Office

A number of services are provided by third parties and managed through client functions within the above teams. We also have business support roles (HR, Finance, Project Management) in the Regional Hubs which report to the International Directors and with a professional link to the Central SBS team.

Business Services will lead on a number of activities, in support of the corporate objectives, which are detailed below:

Corporate priorities related to the Business Services activities:

1. Develop and implement a new organisational strategy
2. Develop and deliver the Discover England Fund
3. Deliver and amplify the GREAT OMGB Marketing campaigns
4. Implement a coherent Digital and Content strategy for Britain and England
5. Build our commercial capabilities across retail and product development
6. Deepen our partnership relationships
7. Establish a clear strategy and role in the Business Visits & Events sector

Corporate Priority	2016/17 Business Services Activities	Description	Outputs	Outcomes
Priority 1	Restructure VisitBritain and VisitEngland	<ul style="list-style-type: none"> Implement new organisational structure Invest in our overseas network and improve the global balance by reshaping the organisation with more specialist roles outside of the UK Devise recruitment plan, with appropriate prioritisation of posts Ensure financial implications are planned, monitored and managed Rebrand internally to a single team 	<ul style="list-style-type: none"> Combined Functional teams in place Overseas resources and posts increased Recruit to 95% of posts (allowing for natural turnover) Agreed recruitment plan in place with appropriate resources and key milestones met Budgets reflect re-allocation of resources and efficiency targets set and delivery monitored New processes in place 	Streamlined and effective organisational structured aligned with our strategy
Priority 1	Develop and implement our new People strategy	<ul style="list-style-type: none"> Talent Management - Build on talent and skills Equip staff to understand and navigate a more matrix approach to working Develop further leadership L&D programme; identify key skills – particularly commerciality, evidenced-based decision making Create an environment and culture which enables flexibility and mobility in the workforce 	<ul style="list-style-type: none"> L&D plan in place with agreed priorities and resources Support capability and skills needed; specifically across partnership and public diplomacy, digital and commercial Understand our talent Have a succession plan Define career pathways and development opportunities Sponsorship Licence (visas) Implement Government's apprenticeship scheme Agreed secondment process which is supported by leadership team 	<ul style="list-style-type: none"> Staff are connected and motivated Mobile and global workforce Positive feedback from staff and perceptions Staff successfully support and deliver organisational objectives Gold Standard Investors in People by 2018 (milestones met in 2016/17)
Priority 1	Develop and implement our new People strategy	Review Reward and recognition policy	<ul style="list-style-type: none"> Benchmarking analysis across relevant sectors and functions Review performance assessment process and bonuses Non-cash benefits Pensions arrangements 	<ul style="list-style-type: none"> Improve ability to attract staff with appropriate skill sets Improve ability to retain staff and reduce turnover (hotspots) Motivate and recognise staff appropriately and in an affordable manner Improve Employer brand and reputation

		Deliver reformed pension scheme arrangements for staff	<ul style="list-style-type: none"> ▪ New scheme in place for 2017/18 	<ul style="list-style-type: none"> ▪ Scheme compliant with HMT requirements ▪ Mitigate future pension liabilities
Priority 1	Improve business management processes	Continue to focus on efficiency and productivity and to implement new ways of working	Efficiency plan in place, reflected in individual budgets across the organisation and monitored for delivery	Increased productivity, cost avoidance and cashable savings
		Develop a route for a longer term IS/IT strategy in support of the corporate objectives	IS/IT strategy in place Harmonisation of platforms and contracts	Clarity of future vision and roadmap for IT needs and development
		<ul style="list-style-type: none"> ▪ Continue to invest in technology and our business processes ▪ Develop business tools to support or staff in a global and increasingly digital environment ▪ Procure and implement a new HR system 	<ul style="list-style-type: none"> ▪ Automate regular processes ▪ New business tools designed and delivered ▪ Explore Automation/ technology solutions with third parties ▪ New HR system in place 	Improved productivity; release staff potential and capacity where they can make more impact
		Develop and implement the Project Management Approach across the organisation	<ul style="list-style-type: none"> ▪ PMO established; recruit team ▪ Establish processes for PMO operation ▪ Establish and embed protocols for the organisation to conduct a Project Management Approach ▪ Design and deliver a project management toolkit; with guidance and training to support its consistent use across the organisation ▪ Specific/ dedicated support to Discover England Fund ▪ Governance and protocols in place for administration of Discover England Programme 	<ul style="list-style-type: none"> ▪ Increased visibility of workload and resource deployment vs. delivery of corporate priorities ▪ Clear and transparent governance ▪ Better decision making; with improved productivity and value for money

Priorities 2, 3, 4, 5, 7		Review future office accommodation arrangements	<ul style="list-style-type: none"> ▪ Deliver options appraisal ▪ Decision on future head office accommodation from September 2017 ▪ Smart working practices agreed and start to implement 	<ul style="list-style-type: none"> ▪ London Office move in 2017 ▪ Office costs within budget and support efficiency targets
		Continue to embed new procurement policies and procedures within a framework of guidance and support which enables the business to meet its objectives	<ul style="list-style-type: none"> ▪ Deliver training across the organisation for new staff and refresh for existing staff ▪ Refreshed guidance as appropriate ▪ Link to efficiency agenda 	<ul style="list-style-type: none"> ▪ Compliant with DCMS management agreement and public sector requirements ▪ Compliant with internal procedures ▪ Improved VFM/ cashable savings
Priority 5		Strengthened contract management	<ul style="list-style-type: none"> ▪ Improve supplier liaison ▪ Improve supplier monitoring ▪ Guidance to business owners 	More commercial approach; which improves VFM/ cashable savings and supplier relationship
Priorities 2, 3, 4, 5, 6, 7		Review and implement changes to Business Partnering function and roles providing support to all functional teams	<ul style="list-style-type: none"> ▪ Review business analysis & insights and reporting requirements ▪ Increase engagement between BS BPs and teams ▪ Clarify roles and responsibilities ▪ Provide high quality and cost effective business support function (including third party provision) 	<ul style="list-style-type: none"> ▪ Improve support to the organisation ▪ Improve effectiveness of reporting ▪ Understanding and acceptance of accountability and responsibilities across teams

APPENDIX 1
BTA Budget 2016/17
£'000

	2015/16	2016/17	Variances
<u>Income</u>			
GIA - Core	26,532	26,532	(0)
<u>Other Grants</u>			0
GREAT Funding	16,650	22,800	6,150
GREAT Challenge Fund	2,000	0	(2,000)
Visa Refund Scheme	4,400	0	(4,400)
Discover England Fund	0	6,500	6,500
VE - Other	1,200	240	(960)
Toursims Growth Fund (NTGF & SWTGF)	15,000	0	(15,000)
Additional (Tour de Yorkshire & Loch Ness)	800	1,000	200
Transfer (to)/from VE	150	0	(150)
GIA - Capital	186	500	314
			0
<u>Non-grant income (NGF)</u>			0
Partnership funding - Core	1,467	2,625	1,158
Partnership funding - GREAT	3,750	3,850	100
B2B - NGF	1,392	1,147	(245)
Retail - Net Contribution*	1,609	2,070	461
Other income	1,105	1,045	(61)
<u>Total income</u>	76,241	68,308	(7,933)
<u>Expenditure</u>			
<u>Project Expenditure</u>			
<u>Core Programme</u>			
Core Programme VB	11,364	11,557	(193)
Core Programme VE	1,955	3,165	(1,210)
<u>Other Expenditure</u>			0
GREAT funded activities VB	18,750	23,725	(4,975)
GREAT funded activities VE	1,650	1,990	(340)
GREAT Challenge Fund VE	1,900	0	1,900
Discover England Activities	0	6,500	(6,500)
VE other Programme	1,200	228	972
Toursims Growth Fund (NTGF & SWTGF)	14,350	0	14,350
Visa Refund Scheme	4,400	0	4,400
Tour de Yorkshire & Loch Ness	800	1,000	(200)
Staff Costs	12,679	13,152	(473)
Staff Travel and Exp	634	659	(25)
Property Costs	2,040	2,102	(62)
Other Operational Costs	4,333	3,730	603
Capital	186	500	(314)
<u>Total Expenditure</u>	76,241	68,308	7,933
<u>*Retail</u>			
Retail - Revenue	22,279	24,438	2,159
Retail - Cost of Sales	19,220	20,679	(1,459)
Retail - Marketing Costs	355	432	(77)
Retail Gross Contribution	2,704	3,326	622
Staff costs	765	778	(13)
Other overhead costs	330	478	(148)
Retail Net Contribution	1,609	2,070	461

APPENDIX 2

The Market

International Trends

Tourism Performance

Visits and spend

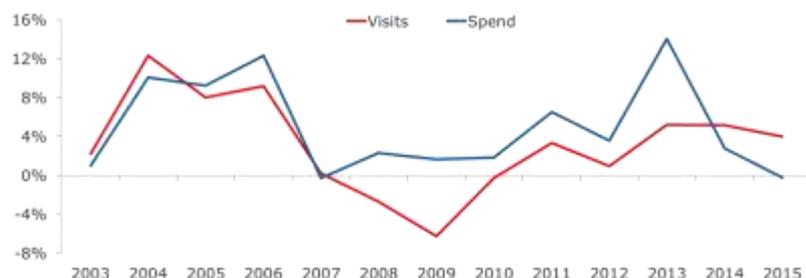


Figure 3 - Year-on-year change in visits and spending (2015 data is provisional)

Britain welcomed a record number of inbound visits in 2015, with 35.8 million visits, up 4% on 2014's previous record.

Visitors from overseas spent £21.8 billion in the UK during 2015, according to provisional figures. This is in line with the record performance seen during 2014. This is equivalent to spend of £700 per second.

Purpose of journey

Holidays	VFR	Business	Misc
+1% 13.7 million	+7% 10.4 million	+6% 8.7 million	+5% 2.9 million
New record! Up 8% in December	New record! Records set in 7 months of 2015	Still just short of 2006's record	Up 74% in October after 43% increase in September

Figure 4 - 2015 purpose of journey

In 2015, visitors came to Britain for a host of reasons. Business visits continued to recover from the global financial crisis and have now had six straight years of growth; the volume of inbound business trips was at its highest level since 2007. With just over ten million visits in 2015 to see friends and relatives (the first calendar year to reach this milestone), VFR visits jumped 7% from 2014 levels. Holiday visits once again broke records with a 1% increase to 13.7 million.

Nations and regions

In the first nine months of 2015, visits to London and England outside London rose 4% and 7% respectively. For this nine month period, London volumes were 23% above their pre-recession peak, while the number of visits to the rest of England were just above (3%) the previous all-time high for the region recorded in 2008. In spending terms, as was seen in the UK overall London reported a 3% decrease between January and September, compared to spending growth in the rest of England (4%). In contrast, international visit levels outside England reported decreases, albeit relatively small, following strong growth seen in 2014. Visits to Wales were 1% down in the first nine months of 2015, compared to the same period of 2014, and visits to Scotland fell 2% over this same time period.

Visitors' origin

2015 saw growth across all major regions of the world, with record visitor numbers from the UK's largest generating region EU15 and also the "Rest of the World" global region, while volumes from North America were at their highest since 2008.

Looking at individual markets, growth in visits came from a range of markets in the first nine months of 2015 including year-on-year increases from Irish Republic (+5%), USA (+7%) and Spain (+9%). Visits from the UK's two largest markets by volume, France and Germany, were on a par with their performance in the first nine months of 2014.

China, now the world's most valuable outbound market, has grown strongly over the past few years, and after a pause in 2014 has seen growth of 37% from the first nine months of 2014 to the equivalent period in 2015. India has provided growth in visits of 13% and Gulf markets of 18%.

The 2015 Anholt Nations Brand Index survey ranked Britain as the 6th most aspirational destination to visit, if money was no object. The UK was ranked 4th overall for tourism out of the 50 nations in the survey and rose one place for its cultural heritage to 6th. The UK rose two places for its natural beauty to a new high of 18th (up from 24th in 2009) and two places for its welcoming people to 11th.

Links to international markets from across the country are seeing improved access, with direct air capacity to the UK up 4% in 2015 compared to 2014, matching the growth in visit numbers. 2016 will see a number of important new air routes; for example, Hainan Airlines will operate a direct flight Beijing – Manchester four times per week from June 2016. The start of 2016 also saw a more competitive visa regime for Chinese visitors. Furthermore, Air Passenger Duty for under-12s was scrapped in May 2015 and will be removed for all under-16s in May 2016.

Looking forward – forecast for 2016

The VisitBritain forecast for the volume and value of inbound tourism is issued in December each year. The VisitBritain forecast for 2016 is for 36.7 million visits, an increase of 3.8% on 2015; and £36.7 bn in visitor spending, an increase of 4.2% on 2015.

We have identified a number of risks as briefly detailed below and will continue to monitor our forecasts.



A number of economic assumptions underpin these forecasts. The Eurozone economy is expected to continue to grow at a moderate pace in 2016, perhaps fractionally stronger overall than in 2015. The US economy is expected to grow at a similar rate as it did in 2015.

The wider global economic outlook remains uncertain. In 2015, the Chinese economy slowed, the Eurozone saw a period of deflation, the oil price continued to fall and some major emerging markets experienced recession. In 2016, a number of emerging markets are expected to continue to see weak growth although China and India are still forecast to be among the world's fastest-growing economies.



Exchange rates have been volatile in recent years. These not only colour value perceptions of destinations but affect visitors' spending power abroad. In 2015, the pound was strong against many major currencies; meanwhile, the year saw spending per visitor fall despite an increase in visit numbers. In early 2016 the pound fell in value, particularly against the US dollar and the Euro.



The global price of oil continued to fall in late 2015 and remains low in early 2016. This is an important driver as it not only affects the cost of transportation but real disposable incomes for consumers around the world. At the time the forecast was produced the oil price was above \$45/barrel; if the oil price remains much below \$40 throughout 2016 then this would positively impact disposable incomes for visitors from many, though not all, markets.



2016 will not see a major international sporting event held in Britain (aside from those held annually), unlike in many recent years. However, it will be a big year for the arts with a number of Britain's musical and literary legends celebrating significant anniversaries and milestones in 2016, including the 400th anniversary of Shakespeare's death and the 100th anniversary of Roald Dahl's birth. Adding to a year

of art and culture, 2016 will also see the opening of new galleries, performances and productions: the National Museums of Scotland will open ten new galleries; the new Tate Modern will open in June; the highly anticipated play *Harry Potter and the Cursed Child* debuts in July.

It is assumed that there will be no unforeseen major events that significantly disrupt travel to Britain, e.g. related to geopolitics, health scares or natural disasters. Events in late 2015 underline that geopolitical / security developments remain a risk.

There are both upside and downside risks for 2016. Recent currency volatility and the uncertainties in forecasting the value of Sterling against major currencies, as well as volatility in the inflation rate in recent years, means that the forecast range for spending is greater than that for visits.

Domestic Trends

Post-recession trends

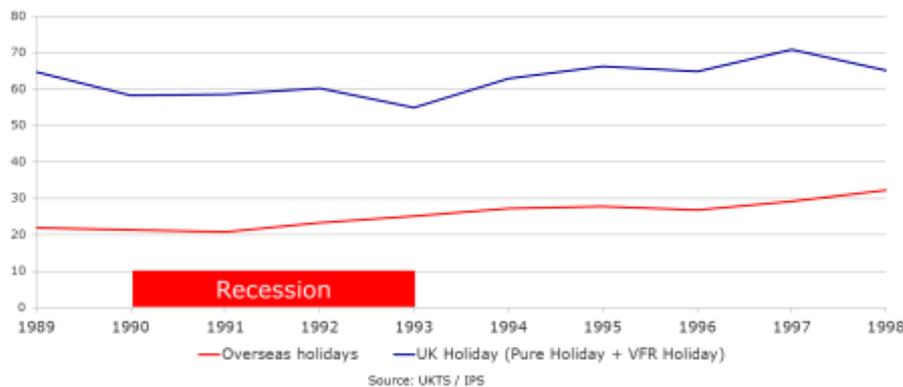


Figure 5 - Domestic and Overseas Holidays 1989 - 1998

The onset of the recession in 2008/09, and the corresponding weakening of Sterling, led to an increase in domestic holiday-taking, alongside a decline in overseas travel. Domestic holiday volumes in England were maintained at a high level for four years in the period 2009-13, but 2014 saw a reversal of this trend, with a 9% reduction in holidays taken in England, though numbers still remained above pre-recession levels. Domestic holiday expenditure also declined, but by a lesser extent, with a 4% drop, while overseas holiday taking grew by 4% in both volume and value terms.

2014 also saw declines in domestic business travel (-10% in trip volumes) and Visiting Friends and Relatives (VFR) tourism (-6%) and as a result, the total number of domestic overnight trips in England, 92.6 million, was 9% lower than in 2013, while domestic overnight expenditure, at £18.1bn, was 3% lower in nominal terms than in 2013.

In 2015, domestic overnight trends returned to positive territory. In the first three quarters of the year, the number of holiday trips taken in England by GB residents was 5% higher than in the equivalent period in 2014. This growth took place at the same time as a 9% uplift in overseas holiday taking, pointing to an overall expansion of the leisure travel market in the UK, likely to have been driven by the more favourable economic environment, with low inflation and real-terms wage increases helping to boost consumer confidence.

Trip characteristic and demographic

As in previous years, growth trends varied by trip characteristic and demographic. Holiday growth was driven to a greater extent by short breaks (+6%) than by longer trips of 4+ nights (+2%). This is a continuation of the trend towards taking shorter breaks which has characterised domestic holiday travel in recent years. Countryside (+10%) and seaside (+6%) destinations performed well in 2015, whereas there was little change in travel urban destinations, in contrast to the 2009-13 period, when city breaks boomed. A 13% uplift in holiday volumes from the most affluent AB social grade group also represents a continuation of the trend seen during the recession of increased domestic activity amongst higher earners, but while trip volumes among the least affluent DEs have stabilised after years of decline, growth has not yet returned to this segment of the market.

Purpose of journey

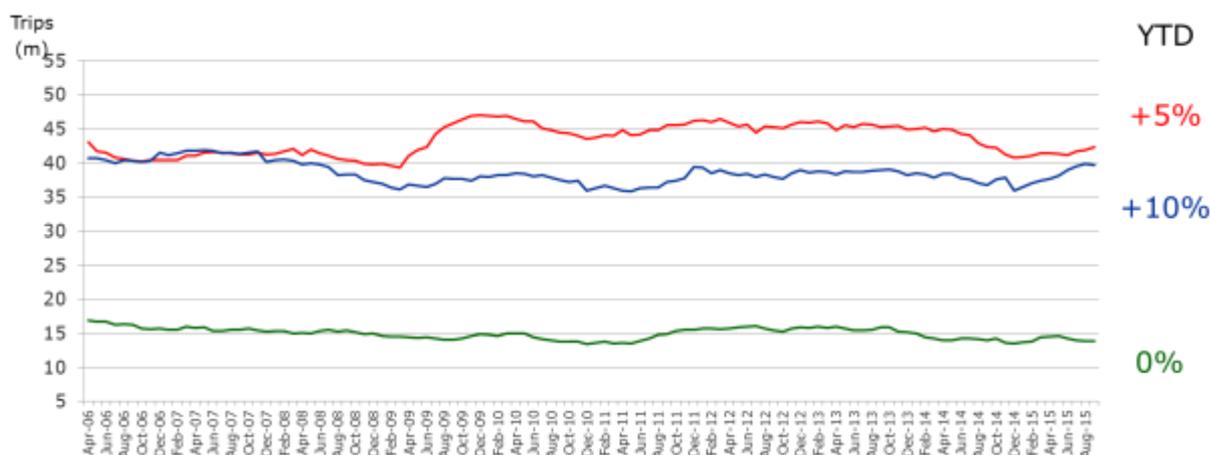


Figure 6 - Domestic Tourism in England – Rolling 12 Month Trend

VFR trip volumes, which declined with the onset of the recession, and which had previously shown little sign of recovery, grew by 15% between January and September, taking numbers to an all-time high for the period. In contrast, the number of domestic overnight business trips was just 3% higher than the previous year, despite wider economic growth. This may reflect increased usage of technology allowing meetings to be held remotely, with businesses choosing not to revert to pre-recession travel habits, despite the more favourable financial climate.

Spending

Spending on domestic overnight tourism grew by 8% in the first nine months of 2015, a record for the period in nominal terms, driven by record VFR spending (+16%) and a 6% uplift in holiday spending, which stood only marginally below the previous record for the period set in 2012.

The domestic day trip market accounts for over half of tourism spending in England, and in 2015 expenditure on day visits grew by 3% to just over £46bn, the first uplift in day visits spending since 2012, though trip volumes fell back by 4%, standing at just under 1.3 billion. Despite an overall decline in volumes, the number of day trips to visit friends and relatives rose in 2015, mirroring domestic overnight trends. There was also an increase in trips to watch live sporting events, boosted by October data, which points to the influence of the Rugby World Cup.

Opportunities and challenges

Looking forward, there are both opportunities and challenges for domestic tourism. Despite some recent weakening in the value of the pound, the Eurozone still remains better value for UK consumers than it was during the recession period, making the market more competitive. However, as we have seen in 2015, growth in overseas travel does not of necessity mean declining domestic activity when consumer confidence is on the rise, and many of the trends that have characterised recent years, such as short breaks, multi-generational trips, last-minute decisions, and greater interest in multiple destination types present sustainable opportunities for the post-recession domestic market.



Sanctuary Buildings
20 Great Smith Street
London SW1P 3BT

For inbound tourism: www.visitbritain.org | Twitter: @VisitBritainBiz
For England tourism: www.visitengland.org | Twitter: @VisitEnglandBiz
For destination inspiration: www.visitbritain.com, www.visitengland.com | Twitter:
@VisitBritain, @VisitEngland

©2016 British Tourist Authority – All rights reserved.