

**MINUTES OF THE 412th MEETING OF VISITBRITAIN
HELD AT 9.00AM ON TUESDAY 8 APRIL 2014 AT
VISITBRITAIN, 20 GREAT SMITH STREET, LONDON SW1P 3BT**

Present: Christopher Rodrigues, CBE
Sally Balcombe
Penelope, Viscountess Cobham
Dan Clayton Jones, OBE
John Lindquist
Steve Ridgway, CBE

Apologies: Dr. Michael Cantlay
Ian McCaig

In Attendance: Sandie Dawe, MBE, Chief Executive
Keith Beecham, Director, Overseas Network
Joss Croft, Director, Marketing
Philip Mabe, Director, Business Services
Patricia Yates, Director, Strategy and Communications
Ros Carey, Secretary to the Board

1. The Chairman advised the Board that, regrettably, the Secretary of State had decided not to re-appoint Baroness Liddell for a second term of office and that she had therefore left the Board on 15 March. Board Members joined the Chairman in agreeing that Baroness Liddell's knowledge and wise counsel would be greatly missed.

Minutes of the Last Meeting

2. The minutes of the meeting held on 4 February were approved and signed.

Matters Arising from the Minutes

3. There were no matters arising.

Declarations of Interest

4. There were no interests to declare in connection with any of the items on the agenda.

Review of Market Conditions

5. Sandie Dawe presented her state of the market snapshot which was tabled.

6. Sandie Dawe reported on recent competitor activity and the International Passenger Survey (IPS) figures for the twelve months to January 2014 which showed a 7% increase in visits and a 13% increase in spend against the previous twelve months.

Chief Executive's Report

7. Sandie Dawe introduced her report, highlighting in particular:
 - That the TV and digital advert created in partnership with Expedia to encourage more US travellers to visit Britain had been launched during Oscar week. The focus of the advert was on presenting Britain's cultural, heritage and countryside offer in an emotional and engaging way and Expedia's vast product range gave the US consumer the opportunity to book 'All of Great Britain, all in one place';
 - That the crisis in Ukraine had affected VisitBritain's activities in Russia and that the Foreign and Commonwealth Office expected that formal approval should be sought through the Embassy for all external-facing activities. Meanwhile, a number of factors unrelated to the crisis had impacted negatively on the processing of UK visas in Russia;
 - That ONS had prepared a proposal to investigate the robustness of spend figures, collected via the IPS, from departing visitors from China and the Arabian Gulf, to test whether the IPS spend figures were fully representative. The results would be available by September; and
 - There had been no new developments on proposals to resume direct funding to the English Tourist Board. As previously reported, the Secretary of State for Culture, Media and Sport had been in discussion with Francis Maude regarding the re-introduction of direct funding, making it clear that her view was that the triennial review should follow, rather than precede, this. A response was still awaited.
8. Sandie Dawe also reported that Odgers had been retained to conduct the search for her replacement with a view to short-list interviews taking place in mid-May.

Balanced Scorecard

9. Philip Mabe introduced his paper which provided a briefing on progress against corporate targets at 31 December 2013: the year-end forecasts had been updated where possible to provide an up-to-date picture of the likely year-end results.
10. The Board noted progress towards meeting internal targets and those set by Government for the 2013/14 financial year.

Future Strategy: Progress Report

11. Sandie Dawe introduced her paper which advised the Board of the progress made by the Executive in positioning VisitBritain for the longer term following the guidance given by the Board at its Strategy Workshop in November 2013.
12. Sandie Dawe reported that she had held a Workshop at the beginning of March with the Directors and other senior managers. The purpose of the day had been to translate the Board's thinking into action and prepare the ground to ensure the organisation retained its momentum through the transitional period between her departure and the arrival of a new Chief Executive.
13. The Directors then briefed the Board on the progress made at their Workshop. The Executive had begun by setting out the context within which future strategy would be delivered as previously articulated by the Board and had concluded that 2015/16 should be viewed as year one of a new four year period, rather than as year five of the existing planning period.
14. It had been agreed that there were four main strands of work which would need to be pursued to flesh out the future strategic direction identified by the Board:
 - Refreshing VisitBritain's narrative to position it within the context in which future strategy would be delivered;
 - The development of a series of delivery strategies;
 - A stakeholder mapping exercise; and
 - Shaping the organisation for the future.
15. The Directors then briefed the Board on the progress made in relation to each workstream and responded to detailed questions from Board Members who also gave guidance on progressing the work.
16. It was agreed that, in view of the various challenges which lay ahead, Sandie Dawe and her successor, supported by the Board, would need to clearly articulate VisitBritain's priorities.

VisitBritain Marketing Strategy 2014-2016

17. Joss Croft introduced his paper which presented the draft Marketing Strategy and invited the Board's comments prior to consultation with the Marketing Directors of VisitEngland, VisitScotland, Visit Wales and London & Partners.
18. Joss Croft explained that the draft Strategy took a more nuanced approach than previously to reflect consumer and market needs. In parallel, a 'Curated Britain' plan was being developed to align tourism products relevant to the level of development of each source market with customer segments. The customer segments would be carefully identified and product which resonated with these audiences would be

identified before being presented to the consumer. It would, of course, be essential for the 'Visit' Marketing Directors to engage with the Curated Britain plan if it was to be successful.

19. Joss Croft also reported that an exercise was underway to update VisitBritain's customer segments and that the Britain brand proposition would need to be nuanced to take account of this and the Curated Britain Plan amongst other things.
20. The Board discussed the content at some length and gave detailed comments and guidance as to how the draft might be improved and progressed.
21. In particular, the Board felt that more work was needed to develop a unifying concept, or customer proposition, and a chapter dedicated to the consumer should be introduced encompassing VisitBritain's insights into who they are and what they want from their visit to Britain.

The VisitBritain Digital Environment: Context for Investment in Digital Platform

22. Joss Croft introduced his paper which briefed the Board on the strategic and operational context within which the Board's consent was being sought to invest in a new digital platform.

Digital Platform: Business Case

23. Joss Croft introduced his paper which sought the Board's approval to invest £700,000 to renew the corporate and consumer websites and the content (CMS) and customer relationship (CRM) management systems and move them to a single platform.
24. The platforms were in need of updating, not least because they were not compatible with mobile technology. Additionally, the contract underpinning the consumer website would expire on 31 December 2014, followed on 31 March 2015 by the expiry of the contracts relating to the corporate website and CMS and CRM systems.
25. The Board noted that the timetable for the development of the new platform would be extremely challenging. This was a result of the fact that major ICT expenditure was closely controlled by the Cabinet Office. Approval for the project had first been sought in August 2013 but, even though VisitBritain had an exemption from the controls for specific marketing activities, the requisite approvals to proceed had not been received until March.
26. The Board held a lengthy discussion and, whilst it was agreed that there was a clear business case for investing in a new digital platform, Members were unanimous in agreeing that there was now too little time left to deliver this by the end 2014 and that the risk of failing to meet the timetable and arriving at the end of 2014 without a functioning consumer website was too great to run.

27. It was therefore agreed that there was no prudent alternative other than to extend the existing contracts in order to secure sufficient time to procure, build and test a new platform within an achievable timetable. In taking this decision the Board appreciated that the overall costs could significantly exceed those which would be incurred by proceeding with the immediate procurement of a new platform but considered this to be unavoidable given the high level of risk attached to this option.
28. It was agreed that a sub-group of the Board, chaired by Sally Balcombe, should be established to oversee and guide the project.
29. There was also a short discussion about sources of content and the optimum mechanisms through which the Visits could provide content to VisitBritain for its websites and social media activity.

VisitEngland Business Plan and Budget 2014/15

30. The Board endorsed VisitEngland's Business Plan and Budget for 2014/15.

British Tourist Authority Consolidated Budget 2014/15

31. Philip Mabe introduced his paper.
32. Philip Mabe advised the Board that, although the Board had approved VisitBritain's budget at its previous meeting, there had been some changes to the income and expenditure forecasts as explained in the paper. For the sake of good order, the Board was therefore asked to approve the revised budget.
33. The Board approved the revised VisitBritain budget and the consolidated British Tourist Authority budget for 2014/15.

London Plus

34. Sandie Dawe introduced her paper which updated the Board on progress on the London Plus concept: the paper had been prepared in consultation with Colleague Chief Executives.
35. A workshop, attended by all the Visits, had been convened in late November 2013 to explore using the potential of London to drive additional visits to the other parts of the UK. There had been a range of views on the London Plus concept and the benefits it could deliver and, at the Chief Executives' meeting in January, it had been agreed that 'one size would not fit all' and that each 'Visit' would decide the extent to which, if at all, it would be productive to work on London Plus activity.
36. Sandie Dawe then reported that VisitBritain was working with London & Partners on a range of activities including a campaign in the US to promote theatre and culture orientated short breaks and a jointly funded campaign with Virgin Atlantic in Australia promoting premium travel and shopping in Edinburgh, Manchester and London.

VisitBritain was also running a one-year campaign with Heathrow to promote the regions of the UK which had launched in March with images of areas which had been badly affected by the floods and storms earlier in the year.

37. Visit Wales was also working with London & Partners to leverage the appeal of London to promote Wales via digital campaign in the US.

VisitBritain and Visit England Management Accounts to 31 December 2013

38. The Board noted the Management Accounts to 31 December 2013.

Minutes of the Meeting of the Audit Committee

39. John Lindquist introduced the minutes of the last meeting of the Audit Committee, which had been held on 5 March 2014 highlighting in particular:

- That the Committee had agreed to extend PwC's contract for internal audit services by six months to 31 March 2015; and
- That if direct funding to VisitEngland was resumed during the course of the current financial year, the Audit Committee had agreed that it would be content to continue to serve both organisations until the financial year-end.

40. John Lindquist also drew the Board's attention to the internal audit reports on VisitEngland's Visitor Attraction Quality Assurance Scheme and VisitBritain's joint marketing campaign evaluation results.

Tourism Trends

41. The Board noted David Edwards' report, which provided a briefing on inbound and domestic tourism surveys and market conditions.

Secretariat Items

42. The Board noted the programmes of meetings for 2014 and the Tourism Events Diary.

Any Other Business

43. There was no other business.
44. Keith Beecham, Joss Croft, Philip Mabe and Patricia Yates left the meeting.

Efficiency and Effectiveness of the Board

45. Christopher Rodrigues introduced his paper which presented the consolidated responses from the recent exercise to assess the efficiency and effectiveness of the Board.
46. Christopher Rodrigues reported that, in overall terms, the results showed that Members were content with the way the Board managed its time, dealt with strategic and governance matters and monitored the organisation's performance. There had however been a number of suggestions for improvement, the most significant of which was to introduce one or two additional meetings each year to meet with stakeholders and to review particular topics in depth. These additional meetings, together with the other suggestions outlined in the paper, would be implemented as soon as possible.
47. The Chairman also took the opportunity to report that he had met with Mike Cantlay, Lady Cobham and Dan Clayton Jones since the last meeting to discuss their concerns that the GREAT campaign was not achieving optimum results for the individual nations due to the fact that it was built around Great Britain as a whole and the Union flag.

Date of Next Meeting

48. To be held on 17 June 2014.