1.0 Introduction

VisitEngland is the National Tourist Board for England

Our purpose is to ensure that tourism in England thrives

We lead and drive forward the quality, competitiveness and sustainable growth of England’s visitor economy by providing intelligence, coordinated marketing and strategic direction for the visitor economy.

We undertake our work in partnership with others and actively encourage greater collaboration between the different sectors involved in the visitor economy.

We support our partners at national and local level to achieve economic growth and to increase investment and employment by encouraging the development of excellent visitor experiences and effective business practices.

This Business Plan documents VisitEngland’s planned activity for the financial year 2015/16. The Triennial Review of VisitEngland published in March 2015 provides the context for this operating year. Whilst our core purpose remains to ensure that tourism in England thrives, the method for achieving this will change in the future.

This year will therefore be one of transformation for VisitEngland as we design and develop a new England Product Development Fund to support the industry to improve the tourism product and visitor experience in England, transform our organisational delivery model and deliver our existing commitments.

The external environment presents particular challenges in 15/16 with a General Election and Comprehensive Spending Review both of which have the ability to impact on VisitEngland in this year and future years.
1.1 VisitEngland – Who we are

England’s National Tourist Board has a strong heritage - over 40 years’ of national tourism leadership and oversight. As a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS) VisitEngland is influenced by the Department’s and wider governmental priorities.

Our Chairman, Penelope, Viscountess Cobham, CBE leads a strong, experienced and respected Board, reflective of the diverse English visitor economy, which includes expertise from industry operators and Destination Organisations (DOs).

VisitEngland’s activity is influenced by four key documents, the underlying principles of which are to seek growth in English tourism; achieve organisational efficiencies, both within VisitEngland and by influencing collaborative working across the industry; and to support and work with the private sector.

These documents are:

The Strategic Framework for Tourism in England 2010-20 is England’s Tourism Strategy. It was created and developed by the different partners involved at national, local and regional levels in both the public and private sectors. VisitEngland is the custodian of the strategy and the aim of 5% year on year growth is delivered by the whole of the industry on a daily basis. The Strategic Framework is currently undergoing its mid-term review, due for publication later in 2015.

The DCMS Funding Agreement for 2015/16 is focused on the transition to the new model of delivery outlined in the Triennial Review and the successful implementation of agreed programmes of work; Holidays at Home are GREAT domestic marketing working with the other UK home nations; Northern Tourism Growth Programme; GREAT UK Challenge Fund.

The Government Tourism Policy published in 2011 outlines Government’s aspirations for the sector. It is likely to be reviewed in 2015/16.

VisitEngland’s Corporate Strategy 2011-15 will be refreshed during 15/16 taking into account the recommendations and outcomes of the Triennial Review, the mid-term review of the Strategic Framework and the Government’s Review of its Tourism Policy.

In addition the recently announced findings of the Triennial Review will have a major influence on the organisation in 2015/16 and the foreseeable future.
1.2 VisitEngland’s corporate objectives in 2015 are to:

01. Drive forward the implementation of the Strategic Framework for Tourism in England to contribute to the annual 5% growth target and deliver the actions for which VisitEngland is responsible.

02. Deliver marketing programmes in partnership with our stakeholders to achieve support and stimulate growth in domestic holiday-taking and working with VisitBritain to deliver these programmes to achieve growth from the international market for England.

03. Reengineer VisitEngland in accordance with the findings of the Triennial Review 2015 whilst maintaining its position as the primary source of expertise on English tourism and its visitor economy and making this expertise and intelligence accessible to our partners.

04. Support Government to achieve its policy aspirations as appropriate and relevant to VisitEngland.
2.0 The Operating Environment

2.1 National context

With the General Election in the first quarter of the financial year there is a great deal of uncertainty about the future funding environment. There are clear differences between the political parties on the approach to austerity. Therefore the Spending Review expected to follow the announcement of the new government could lead to further budget cuts or greater investment in public services.

For the first time tourism has made it into all of the party manifestos, following concerted effort by VisitEngland and the industry to influence the agenda.

The close working by the industry's trade associations to develop clear and consistent messages in their engagement with key influencers and policy makers has delivered results and bodes well for greater collaborative working in the future, to deliver the Strategic Framework objectives and to develop quality applications for the new England Product Development Fund.

Tourism has remained a high profile economic driver with government departments and Local Enterprise Partnerships seeking the advice and assistance of VisitEngland. It has also seen continued investment from the Department for Environment, Food & Rural Affairs (DEFRA), Department for Transport (DTF), Department for Communities and Local Government (DCLG) and Department for Culture, Media & Sport (DCMS) in programmes of activity including sustainable transport, regeneration of coastal communities, rural development and greater coordination of culture and tourism at the local level.

The announcements in late 2014/15 for the North, South West and other areas of the country reflect this raised profile of tourism and provide a positive environment for VisitEngland to operate within. It will be important to maintain this momentum and profile after the election.

2.2 Local context

The difficult funding environment for local partners has continued in 2014/15 and with further local government cuts expected, destination organisations, local authorities and Local Enterprise Partnerships will be looking for cost effective ways to deliver growth activity.

Working in closer partnership, sharing functions and focussing on absolute priorities will help but the capacity at local level to undertake partnership working is also under pressure.

The increasing trend to make funding available on a competitive basis drains capacity from delivering activity to applying for funding and creates an environment of competition between destination areas at a time when greater partnerships and collaboration should be forming. Many destination organisations no longer have capacity or expertise to apply for funding in this way.

It is likely therefore that there will be changes in the tourism delivery landscape in the coming year as organisations adapt to further funding cuts and change their ways of working.
2.3 Market conditions

2.3.1 Domestic trends

The onset of the recession in 2009 led to growth for domestic tourism, which was maintained for a period of five years, through to the end of 2013, and at the same time, overseas trip-taking fell back. However, in 2014, a number of factors emerged which had the potential to impact this trend – continued economic growth and increased consumer confidence, a strengthening pound, and at the start of the year, extremely wet weather and flooding, which particularly affected the south west of the country.

The effect of these changes for domestic tourism has been a reversal of some of the volume gains of the “staycation” years. By the end of September, the number of holidays taken in England by domestic residents was 7% lower than in the same period in 2013, though spending declined by a lesser extent, by 2%. Business travel also declined, as did trips to visit friends and relatives (VFR), though there was growth within leisure VFR, with the fall in trip volumes driven by the “duty” component of VFR travel. Conversely, there was an increase in overseas trip taking, with British residents taking 4% more overseas trips in 2014 than the previous year. Nonetheless, overseas travel volumes remain substantially below pre-recession levels, with 5.5 million fewer foreign holidays taken last year than in 2008.

One of the other characteristics of the year – and indeed previous years – is the diversity of performance behind the headline figures, driven both by wider trends in leisure behaviour, specific events, and differing experiences of the economic recovery. This is reflected in different regional trends (East of England and Yorkshire performing most strongly) and differing trends by destination type (e.g. lower levels of volume decline among seaside destinations). The year has also seen differing behaviour by level of affluence, with trip-taking holding up best among the most affluent AB social grade, and declining most steeply among the least affluent DE social grade, a continuation of patterns seen in recent years.

Both the volume and value of tourism day trips declined by 2% in 2014, though the number of overall leisure trips was flat, suggesting a slight shift towards routine activities closer to home. In this sector too there were regional differences, with increased volumes in London and the South East, but declines in the Midlands and North East. There were also differences by trip type, with more general days out and higher participation in outdoor leisure, but fewer reported trips for meals and nights out.

Looking into 2015, there remains a great deal of uncertainty for the domestic market. Increased consumer confidence and economic growth may enable some of those who have had to reduce domestic trip taking in recent years to re-enter the market. At the same time though, this increased confidence, when coupled with falling oil prices and potentially cheaper flights, and the pound at its highest level against the Euro for several years, is also likely to be a trigger for increased levels of overseas trip taking.

It is important to bear in mind that the financial environment has been only one of the factors affecting market performance. As well as the “staycation” effect, recent years have seen increased levels of short-break taking, more trips taken by over 55s, reflecting an ageing society, and greater variety in destination types for leisure trips - in particular, city breaks have been a driver of growth. All of these present clear areas of opportunity for the domestic market in the longer term, despite the potential for more variability of performance in the shorter term, resulting from differing levels of financial security and degrees of optimism among different consumer segments.
2.3.2 Inbound trends

In 2013, the number of overseas visitors to the UK grew to match the pre-recession peak volume recorded in 2007, and in 2014 the upward trend continued, with a record volume of 34.8 million visits, a 6% year on year increase. The amount spent also grew by 3% to a record high in nominal terms.

There was growth across all trip purposes, with both holidays and visits to friends and relatives at record levels, and while business travel has yet to match pre-recession performance, the volume of inbound business trips was at its highest level since 2007. There was growth across all regions of the world, with record visitor numbers from Europe and the “Rest of the World,” while volumes from North America were at their highest since 2008.

Across the first three quarters of 2014, volume growth, at 6%, was matched evenly across London and the “Rest of England”. For this nine month period, London volumes were 16% above their pre-recession peak, while the number of visits to the Rest of England was still marginally below the all-time high for the region recorded in 2008. In spending terms, London has continued to outstrip the rest of the country, with growth of 7% between January and September, compared to a flat performance elsewhere. As a result, inbound spending in London in the first three quarters of the year is 39% higher than in 2008 (in nominal terms) whereas growth over the same period for other areas of England stands at 16%.

For 2015, VisitBritain predict growth of 2.5% in tourism volumes for 2015, with an expected uplift of 4.5% in spending, taking numbers of foreign visitors to record highs. This has the potential to bring economic benefits to the whole of England, with the challenge continuing to be ensuring that overseas visitors are aware of why, and how, they should access the product offering outside the capital.
3. VisitEngland Activity 2015/16

3.1 Delivery priorities in 2015/16

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3.2 Business activity areas at the commencement of the transformation year

The activities of VisitEngland are divided across three directorates. The high level transition plan for the implementation of the Triennial Review recommendations is a separate document and is shared with VisitBritain. VisitEngland has its own detailed version of this plan.

Each directorate has a plan to deliver against the priorities above containing the activities, milestones and budget, agreed by the CEO and Directors. The scope of each directorate is below.
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<th>Directorate</th>
<th>Business Area</th>
<th>Business Area Summary</th>
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| **Corporate Communications** | • Communicating the changing role of VisitEngland  
• Growing the understanding of the value of tourism amongst key influencers and decision makers including politicians, tourism and non-tourism organisations, media and other opinion formers  
• Protecting and enhancing VisitEngland's position as the lead body for tourism in England  
• Communicating the VisitEngland online resources available to the industry. |
| **Strategic Partnerships** | • Managing VisitEngland's on-going relationships with strategic partners and programmes of joint activity  
• Encouraging adoption of the Strategic Framework, delivery of actions by others and communicating progress  
• Coordinating delivery of VisitEngland Strategic Framework actions. |
| **Programme Management** | • Northern Tourism Growth Fund  
• South West Tourism Growth Fund  
• GREAT UK Challenge Fund  
• Rural Yorkshire, Hadrian's Wall and NorthEast/Scandinavia connectivity funds  
• Closure and final evaluation and audit of the Regional Growth Fund  
• Design and development of the new England Product Development Fund. |
| **Research and Insights** | • Providing insights to shape the criteria for the England Product Development Fund  
• Managing and reporting on a programme of research projects. Covering market volume and value, business performance, consumer behaviour and attitudes  
• Monitoring and evaluation in relation to VisitEngland's own programmes of delivery. |
| **Product & Industry Development** | • Providing expertise to shape the criteria of the new England Product Development Fund  
• Providing information to encourage the sector to raise standards, develop and improve performance, take advantage of and adapt to trends in the marketplace and contribute to excellent visitor experiences  
• Responding to identified business needs with a suite of online tailored support materials and information on market opportunities  
• Building on the outcomes and experiences of the changes implemented during 14/15 to the existing visitor experience schemes  
• Managing the delivery of the Licence to operate the VisitEngland Accommodation Quality Assessment Schemes  
• Testing and evaluating future scheme development and delivery options  
• Developing a range of commercial considerations including those that relate to the future delivery of the accommodation inspection scheme  
• Delivery of the annual VisitEngland Awards for Excellence  
• Coordinate English Tourism Week. |
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<th>Directorate</th>
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|            | **Consumer marketing & PR** | • Providing advice and expertise to shape the development and design of the new England Product Development Fund  
• Delivering programmes of activity, GREAT UK Challenge Fund, Holiday at Home are GREAT, Northern Tourism Growth Fund and the South West Tourism Growth Fund  
• Identifying innovative digital solutions to support the growth of English tourism in support of the committed programmes of delivery and the England Product Development Fund  
• Maximise reach and impact of existing digital platforms (Twitter programme, VisitEngland.com etc) and align with the England Product Development Fund  
• Influencing the media and social media to generate interest in Holidays in England providing information, ideas and images. Leveraging the year’s anniversaries, events and openings to generate press coverage and strengthen media relations  
• Provide VisitBritain with key PR hooks for England and its destinations and build a programme for delivery for England internationally. |
|            | **Marketing Partnerships & Travel Trade** | • Providing advice and expertise to shape the criteria of the new England Product Development Fund  
• Delivering Holidays at Home are GREAT and Northern Tourism Growth Fund and securing commercial and destination partner match funding  
• Engaging travel agents and operators in delivering VisitEngland's England travel trade plan. Delivering the travel agent training programme, a suite of travel trade tools including England bible, website and newsletter  
• Key account managing the travel trade partners effectively  
• Work in partnership with VisitBritain to deliver a comprehensive international Travel Trade programme for England identifying key growth areas. |
|            | **Business tourism** | • Providing advice and expertise to design and shape the new England Product Development Fund  
• Facilitating a range of international platforms in partnership with VisitBritain to enable English suppliers to the business events industry to promote themselves to their key target international clients  
• Facilitating International trade shows and workshops, sales missions, client familiarisation visits, ‘meet the buyer’ events, features and supplements in international trade publications in partnership with VisitBritain. |
|            | **International marketing** | • Analysing the aspirations, key target markets and product strengths of English Destinations to facilitate international promotion through VisitBritain  
• Working closely with VisitBritain and English Destinations to increase knowledge of, and interest in, England through training programmes and travel trade events  
• Managing a trade and media programme of press releases, individual and group trips and events  
• Supporting the route development activities of regional ports of entry (air and sea) and building on their available capacity. |
|            | **Organisation development** | • Implement the findings of the Triennial Review reengineering the organisation to deliver its new remit  
• To separate from the British Tourist Authority (VisitBritain) on direct funding for VisitEngland is confirmed  
• Developing the Corporate Strategy for 2016-2020  
• Performance monitoring and reporting  
• Delivering VisitEngland’s corporate services of HR, finance, legal and technology  
• Delivering efficiencies and increasing the effectiveness of the organisation and its people. |
4. VisitEngland Budget 2015/16

Our sources of funding in 2015 / 2016 are:

- VisitEngland Grant in Aid is £6,978,000M
- Great UK Challenge Fund £2M
- Northern Tourism Growth Fund £10M
- South West Tourism Growth Fund £5M
- Holidays at Home are GREAT £2M

5. Performance Measurement

The VisitEngland performance measurement framework covers three types of performance:

- **Individual performance objectives** - performance of the individuals within VisitEngland in delivering their work and their contribution to the organisation's performance

- **Programme performance** - performance of specific programmes outside of the Grant in Aid settlement for VisitEngland e.g. Holidays at Home are GREAT and the Regional Growth Fund Programme

- **VisitEngland corporate measurement** - performance against VisitEngland stated corporate objectives and operational measures against the outputs and outcomes for its delivery activities

In 2014/15 VisitEngland developed a new Evaluation Framework for its activities. It is the intention to implement it in 2015-16. However with the changing role of VisitEngland as a result of the Triennial Review the new framework will require adaptation to the changed role.

In addition to its own organisational performance VisitEngland measures the performance of the English tourism industry and the progress against the National Strategic Framework Target of an average annual growth rate of 5%.
6. Key Risks

VisitEngland maintains a detailed Risk Register, reviewed during the year by the Executive and the Board. The key additional risks this year are:

Financial

The requirements placed upon VisitEngland as a result of the Triennial Review are not sufficiently resourced.

The changes VisitEngland needs to make internally to deliver the new focus, post Triennial Review cannot be made due to lack of resource.

Following an audit by HMRC, a new method of calculating our recoverable VAT will be introduced post-dated to 1 April; it is almost certain that this will give rise to a significant increase in our irrecoverable VAT bill and a contingency budget has been ring-fenced to cover this.

Our Pension Fund, which is currently in deficit is subject to triennial review at 31 March 2015. The outcome is not yet known and could lead to a rise in VisitEngland's share of the deficit recovery plan. Again, a contingency budget has been ring-fenced to cover this.

The England Product Development Fund recommended in the Triennial Review is not secured in the expected Spending Review to follow the General Election in May.

On the assumption that VisitEngland's separation from The British Tourist Authority (VisitBritain) will take place on 1 April 2016 the associated costs have not been budgeted for in 2015/16. However, a separation during the current financial year could lead to a further increase in pension costs as VisitEngland assumes responsibility for past employees and a requirement to make a payment into the Fund when VisitEngland re-joins the Scheme. Separation could also give rise to a further negative impact on our irrecoverable VAT bill. In both cases however, the information required to quantify the costs is not yet available.

Reputational

The limited delivery capability in the transition year impacts on our relationship with partners and VisitEngland's reputation as a competent and capable deliverer of activity and impact.

It is therefore essential that VisitEngland is successful in managing the various regional funds which have been made available for 2015/16.

7. Business Plan Monitoring and Review

The Business Plan is the key tool for VisitEngland to manage the organisation's operations throughout the year. The Business Plan provides the direction and work schedule for each of VisitEngland’s departments and is a key focus of team meetings. It is reviewed by Directors on a quarterly basis at scheduled Directors' team meetings.

It is reported to the Board on a quarterly basis in conjunction with information on progress against the corporate performance measures.

The Business Plan for 2015/16 will undergo a mid-year review to reassess priorities and ensure alignment with the activity of the transition plan being implemented following the Triennial Review.
8. The VisitEngland Team

8.1 Executive responsibilities

James Berresford
Chief Executive

The Chief Executive is responsible for the executive leadership and day-to-day operations and management of VisitEngland. Alongside the Chairman, Lady Cobham CBE, the Chief Executive works to ensure that English tourism is high on the political and economic agenda.

Louise Stewart
Director of Strategy & Deputy CEO

- Corporate strategy and business planning
- Performance management and organisational development
- Strategic Framework for Tourism 2010-20
- Strategic partnership and engagement
- Corporate Communications and Policy & Affairs
- Research and insights
- Local and destination engagement
- Management of Funded Programmes

Jenny McGee
Enterprise Director

- Working with and managing the relationship with the tourism industry
- Business support and advice
- Accreditation and assessment schemes
- Showcasing excellence and best practice through the annual VisitEngland Awards for Excellence, helping to raise the profile of England as a world-class destination

Tim Holt
Marketing Director

- England brand and England marketing strategy development and adoption
- Domestic consumer advertising and marketing
- Media planning and buying
- Marketing partnerships
- Travel Trade partnerships
- Consumer digital and web activity
- Consumer press relations
- England content creation and curation
- Business Visits and Events
- Visitor information
- England Rugby World Cup 2015