

**MINUTES OF THE 410th MEETING OF VISITBRITAIN  
HELD AT 3.00PM ON TUESDAY 19 NOVEMBER 2013 AT  
VISITBRITAIN, 20 GREAT SMITH STREET, LONDON SW1P 3BT**

**Present:** Christopher Rodrigues, CBE  
Sally Balcombe  
Dr. Michael Cantlay  
Dan Clayton Jones, OBE  
Penelope, Viscountess Cobham  
Clive Gordon  
Janis Kong, OBE  
John Lindquist  
Ian McCaig  
Steve Ridgway, CBE

**Apologies:** The Rt. Hon Baroness Liddell of Coatdyke

**In Attendance:** Sandie Dawe, MBE, Chief Executive  
David Parkhill, Director, Business Services  
Joss Croft, Director, Marketing for part  
Ros Carey, Secretary to the Board

**Minutes of the Last Meeting**

1. The minutes of the meeting held on 17 September 2013 were approved and signed.

**Matters Arising from the Minutes**

2. There were no matters arising.

**Declarations of Interest**

3. Lady Cobham noted an interest in the item on deficit Recovery and Future Accrual rates for the Pension Scheme.

**Review of Market Conditions**

4. Sandie Dawe presented her state of the market snapshot noting that Britain had once again been ranked third overall in the 2013 Anholt GfK Nations Brand Index; tenth for 'welcome', up from thirteenth in 2012 and the first time that Britain had featured in the top ten.

5. Sandie Dawe also reported that inbound tourism performance remained strong with visits in September up by 6% on the previous September and spending in the rolling year to September at a record level of £15.87 billion, an 11% increase on the previous rolling year.

### **Chief Executive's Report**

6. Sandie Dawe introduced her report highlighting in particular:
  - That the 'Visit' Chief Executives had discussed London Plus at their last meeting in October when it had been agreed to each nominate up to three people to brainstorm ideas in a workshop which had been arranged for 27 November. Everyone had been supportive of the concept especially in terms of attracting repeat visitors;
  - That following the Board's endorsed of the Digital Ecosystem Project and the Executive's long-term digital ambition at the previous meeting, Sally Balcombe had generously spent time with the Executive team to advise on the project;
  - That the performance of the Retail business in the first half of the year had been at a record level and was now forecast to deliver a £1 million net profit by the year end;
  - That confirmation that the English Tourist Board would be funded directly from 1 April 2014 was still awaited but that the Executive was confident the target date could still be met providing the instruction was received by the end of November;
  - That DBIS had now released the outstanding Regional Growth Fund grant claims to VisitEngland;
  - That following the announcement of Tokyo as the host city for the Olympic and Paralympic Games 2020, she had offered VisitBritain's support, in terms of sharing knowledge and learnings from London 2012, to the Japan National Tourism Organisation and the Japan Association of Travel Agents.
  - That at the invitation of Film London, she had spoken about VisitBritain's movie tourism activity, in particular its Bond film partnership, at the Euroscreen film conference in Spain which had focussed on collaboration between film-makers and the tourism sector. Gratifyingly, based on feedback received at the conference, VisitBritain was considered to be a world leader in this field.
7. In conclusion, Sandie Dawe noted that VisitScotland had hosting the annual staff conference in Glasgow and Mike Cantlay had spoken at the dinner: thanking Mike Cantlay, Sandie Dawe said that staff had appreciated the opportunity to add to their knowledge of tourism products in Scotland.

### **Balanced Scorecard**

8. David Parkhill introduced his paper which provided a briefing on progress against corporate targets at 30 September 2013.
9. The Board noted that VisitBritain was on course to meet both Governmental targets and those which it had set itself.

### **Marketing Strategy**

10. Joss Croft gave a well-received presentation in which he outlined the core components VisitBritain's Britain Marketing Strategy 2014 -16 and how it would contribute to supporting Delivering a Golden Legacy: the growth strategy for inbound tourism to Britain.
11. The Marketing Strategy would capitalise on Britain's improved image post Olympics and build on the existing GREAT proposition and VisitBritain's partner portfolio. Culture, heritage and countryside continue to be key themes, with sport, film, music, and food as secondary themes. and a more segmented approach would be adopted to the Re-energise, Grow, Make and Nurture markets identified in Delivering a Golden Legacy.
12. The concept of 'Simplified Britain' or 'curated' Britain would be introduced and a simplified, tailored, customer-focussed offer would be developed on a market by market basis with new products and experiences being introduced over time.
13. Dan Clayton-Jones left the meeting.
14. Joss Croft then responded to questions and following a short discussion, the Board endorsed the work to date.
15. Joss Croft left then meeting.

### **Corporate Risk Register Review**

16. The Chairman introduced Ros Carey's paper which invited the Board to review and comment on the VisitBritain and VisitEngland Corporate Risk Registers.
17. The Board noted that the Registers had been reviewed by the Audit Committee at its last meeting and revised to incorporate the Committee's comments.
18. Following a discussion, the Board agreed that it was satisfied that satisfactory systems of control were in place to control and mitigate VisitBritain's exposure to risk.
19. Ian McCaig left the meeting.

## **Inbound Tourism Forecast**

20. Sandie Dawe introduced David Edwards' introduced paper which sought approval to the 2014 inbound central volume and value forecasts and revised estimates for 2013.
21. Following discussion, the Board approved the upward revision to the forecast for 2013 and a central forecast for 2014 that the volume of inbound tourism would grow by 1.8% and spend by 4.2% before inflation
22. It was agreed that David Edwards should be asked to prepare a note setting out the factors which had led to performance in 2013 being stronger than forecast and the approach taken to producing the forecasts and that this should be reviewed by John Lindquist.

## **Pension Scheme: Deficit Recovery and Future Accrual Rates**

23. David Parkhill introduced his paper.
24. David Parkhill reported that, at the 31 March 2012 the British Tourist Boards' Staff Pension Scheme had an agreed deficit of £35.9m.
25. Following negotiations between the Executive and the Trustees, the deficit recovery plan contributions had been set at £500,000 per annum of which BTA would contribute £360,000 per annum from 1 April 2014 to 31 March 2033, rising annually by 2.6% commencing 1 April 2016. This would be subject to re-negotiation following the outcome of the next tri-ennial review. The allocation of these costs between VisitBritain and VisitEngland would be reviewed.
26. Additionally, it had been agreed that that the Employers should pay a fixed sum of £250,000 per annum, with no annual increments, as a contribution to scheme expenses of which BTA's share would be £180,000 per annum from 1 April 2014 and would be allocated between VisitBritain and VisitEngland.
27. David Parkhill also reported that, future accrual rates for employers had been set with reference to the normal date of retirement (NRA) of current employees. The scheme had an NRA of 60 until 2007 when for new employees the NRA was set at 65: future contribution rates would be 24.3% and 13.1% respectively representing an overall combined future accrual rate of just under 19%.
28. Finally, it had been agreed that, if cumulative annual salary increases, i.e. increases from 1 April 2012, were greater than the corresponding cumulative increase in the Consumer Prices Index, then additional contributions would be agreed between any employer who exceeded the cap and the Trustees to cover the unfunded increase in active liabilities. Since the paper had been prepared, the Trustees had agreed that no additional contributions would be sought unless annual salary increases exceed 2.8%.
29. David Parkhill advised the Board that the overall financial effect for BTA of the revised arrangements would be broadly neutral.

30. Following a discussions, the Board endorsed the agreement with the Trustees in relation to the deficit Recovery Plan and future accrual rates and congratulate David Parkhill on the outcome.

#### **Business Plan: Progress an Assumptions 2014**

31. David Parkhill introduced his paper which set out the key principles around which the Business Plan was being prepared and the key assumptions which would underpin it.

32. The Board duly approved the assumptions as set out in the appendix to the paper.

#### **Draft Minutes of the Meeting of the Audit Committee**

33. John Lindquist introduced the minutes of the last meeting of the Audit Committee, which had been held on 15 October.

34. The Committee had reviewed the Corporate Risk Registers and progress on the re-introduction of direct funding to the English Tourist Board and had endorsed the agreement with the Pension Trustees on deficit recovery and future accrual rate.

35. John Lindquist also reported that the Committee had also considered at some length the issues and risks relating to the Regional Growth Fund project as a result of DBIS not have paid the first two quarter's grant claims.

36. The Chairman noted that, assuming direct funding of the English Tourist Board proceeded, the Audit Committee would require two new Members.

#### **VisitBritain Management Accounts to 30 September 2013**

37. The Board noted the financial position at 30 September as set out in the Management Accounts.

#### **VisitEngland Management Accounts to 30 June 2013**

38. The Board noted the financial position at 30 June as set out in the Management Accounts.

#### **Tourism Trends**

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

#### **Secretariat Items**

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

**Any Other Business**

41. The Board joined the Chairman in thanking Clive Gordon for the contribution which he had made to VisitBritain during his tenure as a Member of the Northern Ireland Tourist Board from which he would be stepping down on 31 December 2013.

**Date of Next Meeting**

42. To be held on 4 February 2014.