

# MINUTES OF THE 432<sup>nd</sup> MEETING OF BRITISH TOURIST AUTHORITY

HELD AT 13:00 ON WEDNESDAY 3<sup>rd</sup> MAY 2017 AT

VISITBRITAIN, 20 GREAT SMITH STREET, LONDON SW1P 3BT

**Present:** Steve Ridgway, CBE  
Denis Wormwell  
John Lindquist  
Katy Best  
Angela Bray  
Margaret Llewellyn OBE  
Kevin Murphy, OBE  
Giles Smith  
Lord Thurso

**In Attendance:** Sally Balcombe  
Hazel Cunningham  
Lola Moses, Secretary to the Board  
Patricia Yates, Director Strategy & Communications (for item 9)  
Andrew Stokes, England Director (for item 12)  
Carol Drake, Commercial Director (for item 15)  
Clare Mullin, Marketing Director (for items 14 and 15)

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

1. The Chairman welcomed the Board to the meeting. There were apologies from Ian McCaig.  
There were no declarations of interest.
2. The Chairman tabled an introduction paper which set out the Board's engagement and priorities for the coming year. The key areas included the following matters: -
  - (i) Advice and contribution to re-energising and streamlining the Board process and meetings.
  - (ii) Input and recommendations on vacancies on the BTA Board and VEAB.
  - (iii) Strategy on the challenges around funding.
  - (iv) Providing expertise on the Industrial Strategy.
  - (v) Tourism in the context of Brexit.

3. The Chairman reported on the governance review which was carried out with Sally Balcombe the Chief Executive of VisitBritain and Denis Wormwell the Chairman of the VEAB in conjunction with Stanton Marris. The following items were noted: -
  - (i) The BTA Board and VEAB would continue to operate at a strategic level delegating detailed work to the executives or committees.
  - (ii) A joint meeting of the BTA Board and the VEAB would occur at least once a year to discuss strategy.
  - (iii) The running order of the BTA Board meeting would no longer segregate the England only items prior to the Britain items and would instead be incorporated into the substantive agenda enabling all BTA Board members to be present throughout, other than in the case of a conflict of interest where members would be recused.
  - (iv) At each BTA Board members will review a dashboard demonstrating BTA's performance against its corporate objectives as set out in the Action Plan.

**Action: Secretary to circulate to Board members a copy governance review paperwork prepared by Stanton Marris referred to at 3 above.**

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

4. The Minutes of the BTA Board meeting held on 8th March 2017 were approved.  
There were no matters arising.

### **STRATEGY, PERFORMANCE AND OUTLOOK**

#### **Agenda Items 5 and 6: Review of Draft Dashboard and CEO Report**

5. Sally Balcombe referred the Board to the draft dashboard which was tabled at the meeting. Members acknowledged that the dashboard would be used at each BTA Board to provide an update as to BTA's performance against its corporate priorities. The dashboard would include a financial summary clearly demonstrating the status of BTA's funding and the allocation against its corporate priorities. It was noted that the draft dashboard would be revised following feedback from members.
6. The Board received a verbal update from Sally Balcombe concerning the new format for the CEO Report, it was noted that going forward members would receive an executive summary as opposed to a detailed report to provide a concise update. The following points were noted: -
  - (i) GREAT funding was confirmed, as such, the domestic marketing campaign would be commencing imminently.
  - (ii) The impact of purdah had meant that the BTA were still waiting for decisions in many areas such as confirmation of its targets for this year.
  - (iii) BTA would be moving to new premises in September.

- (iv) BTA had been bidding for Freedoms, this is currently on hold due to purdah.
- (v) BTA's proposals to build a new technology platform utilising DEF is currently on hold due to purdah.
- (vi) A successful Welcome campaign had been implemented at the end of March and it was noted that bookings from Europe were strong.
- (vii) BTA's first ever big campaign in the USA had commenced with American Airlines as BTA's commercial partner.
- (viii) BTA's staff conference would be taking place on 15 and 16<sup>th</sup> May, both Steve Ridgway and Denis Wormwell would be attending. VisitEngland, Visit Wales and VisitScotland would also be represented.

**Action: Members to provide feedback on the proposed format for the dashboard referred to at 5 above.**

#### **Agenda Item 7: State of the Market Snapshot**

7. Sally Balcombe tabled the State of the Market Snapshot – May 2017 paper and provided the Board with an overview of the recent competitive activity. The following points were highlighted: -
  - (i) Qatar Airways introduced Long-haul flights from Cardiff Airport to the Middle East. The airline is expected to fly to Doha from Cardiff from 2018.
  - (ii) Norwegian Airlines has introduced new routes. Gatwick to Singapore and flights from Denver and Seattle-Tacoma to Gatwick shall commence in September 2017.
  - (iii) Hainan Airlines has increased capacity at Manchester Airport with the launch of the Dreamliner on the Manchester-Beijing service from 1 May 2017.
  - (iv) BA has launched flights to its 21<sup>st</sup> US destination from London Heathrow with a 4x weekly service to New Orleans. BTA has worked closely with British Airways on their new routes in the US.
  - (v) Turespana's marketing budget has been reduced from €91m to €81m.
  - (vi) Tourism Ireland had inbound tourism growth at 1% in Q1 and 23% growth from North America.
  - (vii) Atout France launched its #Feel campaign in Germany, UK and the Netherlands, focussing on experiences in France.
  - (viii) Stirling has improved against both the Euro and the Dollar, standing at \$1.29 and €1.19 respectively, but still below the pre-referendum levels.

8. It was noted that for future Board's the State of the Market Snapshot would be circulated prior to the Board meeting, however, to ensure that it is as accurate as possible, it would go out after other Board papers.

**Action: Secretary to circulate to Board members a copy latest State of the Market Snapshot prior to each Board meeting as referred to at 8 above.**

#### **Agenda Item 8: Tourism Trends**

9. Sally Balcombe referred to the Tourism Trends paper which was circulated prior to the Board as a paper for information, the paper was taken as read.

#### **Agenda Item 9: Political/Tourism Affairs**

10. Patricia Yates provided the Board with a verbal update setting out key dates during purdah and an overview of the political landscape. The following matters were noted: -
  - (i) Due to purdah, any announcements by BTA must be approved by DCMS.
  - (ii) GREAT funding and the domestic marketing campaign which are due to be launched before the General Elections have been approved by DCMS.
  - (iii) FCO Global Britain campaign has been paused.
  - (iv) The Queen's Speech is scheduled for 19<sup>th</sup> June, the Great Repeal Bill is expected to feature heavily.

### **CORPORATE MATTERS**

#### **Agenda Item 10: Property Update**

11. Hazel Cunningham updated the Board on the proposals for new premises for BTA as set out in Board paper. The following points were noted: -
  - (i) The lease for the BTA premises at Sanctuary Buildings expires on 28<sup>th</sup> September 2017.
  - (ii) Discussions with the Government Property Unit have identified one suitable alternative property located within the Crown Estate at 1 Victoria Street, Westminster.
12. The Board confirmed the decision that: -
  - (i) 1 Victoria Street, Westminster would be pursued, with contract negotiations commencing as soon as possible; and
  - (ii) BTA shall advise DCMS that the 5% contingency in the Operational Budget shall be used to underwrite the capital costs associated with the move to the new premises.

13. The Board discussed the risks associated with the recommendation and agreed that a supporting letter from the Board would be sent to DCMS in addition to the business case documentation.

**Action: Secretary to liaise with Hazel Cunningham to ensure that a supporting letter from the Chair on behalf of the Board is provided as part of the supporting documentation referred to at 13 above.**

#### **Agenda Item 11: Pensions Update**

14. Hazel Cunningham updated the Board on the latest developments with the pensions. The Board referred to the Pensions paper circulated prior to the Board.
15. The Board agreed with the recommendations set out in the paper, namely for the BTA to implement the DC Scheme benefits via the current scheme. The BTA shall continue to observe developments in the appeal cases relating to Government pension schemes.

### **ENGLAND**

#### **Agenda Item 12: DEF Update**

16. Andrew Stokes provided the Board with an update on the Discover England Fund. The Board noted the progress made in Year 1 and the pilot projects scheduled for Year 2. The following points were highlighted: -
  - (i) £3.6m has been spent on projects in Year 1.
  - (ii) £450,000 of research has been commissioned to date.
  - (iii) £505,000 has been granted as seed and bridge funding to support the creation of innovation and effective projects in Years 2 and 3.
  - (iv) £13m is to be allocated to large scale projects in Years 2 and 3.

#### **Agenda Item 13: Quality Schemes**

17. The Board noted the paper provided by Hazel Cunningham. The following points were highlighted: -
  - (i) The contract between BTA and the AA was finalised at the beginning of April.
  - (ii) The transition plan is working successfully.
  - (iii) A joint strategy board has been established.

#### **Agenda Item 14: Domestic Campaign**

18. The Board received a detailed presentation from Clare Mullin on the domestic marketing campaign. The Board received the presentation for information.

## **BRITAIN**

### **Agenda Item 15: High Level Marketing Plan**

#### **Marketing Campaign 2017 and Marketing Channels**

19. The Board received a detailed presentation from Clare Mullin on the marketing campaign for 2017. The marketing plan expounded upon the marketing strategy for 2017. The key areas included the target audiences, the marketing channels that would be pursued, the approach to content creation and the allocation of funding. The Board received the presentation for information.

**Action: Secretary to circulate copies of the presentations referred to at 18 and 19 above to Board members.**

#### **Partnerships**

20. The Board received a detailed presentation from Carol Dray on Commercial Partnerships. The Board noted that the key areas of focus for product development and distribution were as follows: -

- (i) Supporting the DEF team with the delivery of successful bids.
- (ii) Supporting product development by working with BTA's commercial partners.
- (iii) Working with the Rail Industry to encourage international visitors to explore the UK by rail.

21. The Board received the presentation for information.

**Action: Secretary to circulate a copy of the presentation referred to at 20 above to Board members.**

## **PAPERS FOR INFORMATION**

22. The Board approved the papers provided for information to be taken as read.

### **Any Other Business**

None.

### **Date of Next Meeting**

23. To be held on Tuesday 20th June 2017.