

Minutes of meeting of the VisitScotland Board held at Stirling Highland Hotel on Friday 17 August 2007

Present: Peter Lederer (Chairman)
Pat Buchanan
Brian Houston
Alex Pagett
Lesley Sawers

In attendance: Philip Riddle (Chief Executive)
Eddie Byers (Director of Industry Engagement)
Riddell Graham (Director of Strategy, Partnerships &
Communication)
Willie Macleod (Director of Visitor Services & Quality)
Ken Neilson (Director of Corporate Services)
David Noble (Director of Network Operations)
Malcolm Roughead (Director of Marketing)

Lee McDonald (Minutes)

Apologies: Willie Dunn

1. MINUTES OF BOARD MEETING HELD ON 19 JUNE 2007

Brian Houston (BH) suggested that an additional line be added to item 5 (VisitScotland.com) of the previous board minutes. The suggested line was 'The Board look forward to discussions on new strategies for visitScotland.com.'

The Board agreed this amendment.

Alex Pagett (AP) requested an update on the issue of tourist signposting being obscured by trees and shrubbery. Willie Macleod (WM) noted that he had already brought the concern to the attention of Tony Mercer, Head of Quality & Standards and Chair of the National Tourism Signposting Working Group. The Chairman added that it could also be raised with the relevant transport authorities, COSLA and that he would also bring it to the attention of the Association of Chief Police Officers in Scotland.

The Board noted these comments.

2. MATTERS ARISING

Ken Neilson (KN) indicated that a more detailed paper on pensions would be provided to the Board later in the year.

Riddell Graham (RG) provided a brief update on activity from other organisations on their contribution towards delivering the Tourism Framework for Change, noting correspondence from the Tourism Minister to John Brown accepting ownership of the TFFC.

The Board noted the update.

3. COMPETITIVE ENVIRONMENT

RG provided an update on the Competitive Environment paper, which provides information on current market trends, competitor information, and a review of key trends and drivers affecting the tourism industry in Scotland.

Key points noted from the most recent Competitive Environment paper were the impact of the exchange rates on US visitor numbers to the UK, an increase in visitors from Europe and in those travelling long haul from the east, and a healthy increase in visits to Scottish visitor attractions over the January to May period compared to the same time last year.

RG asked for the Board's views on the 'weather chart', a pictorial representation of economic drivers. Pat Buchanan (PB) felt the report was useful. Lesley Sawers (LS) queried the subjectivity of the symbols used to represent the economic conditions in this particular section of the report but it was generally welcomed as a useful addition to the paper.

The Board noted the paper.

4. VISITSCOTLAND.COM

Malcolm Roughead (MR) updated the Board on the current performance of visitScotland.com. He drew the Board's attention to continued high traffic to the site and the Board agreed that they looked forward to hearing the outcome of strategic discussion planned for a meeting on 29 August.

5. EVENTSCOTLAND

The Chairman noted the appointment of Paul Bush at EventScotland and the Board welcomed his posting as Chief Operating Officer.

It was noted that the number and profile of events has increased again this month and that strong links have been established with new government ministers and EventScotland has been in contact with their offices on a range of matters.

Discussion then progressed to the subject of EventBritain after a query from AP on the role of the new organisation. The Chief Executive commented that VisitScotland enjoyed a good relationship with VisitBritain but acknowledged there was uncertainty as to the role of EventBritain and some potential for confusion.

The Chief Executive also noted the need to safeguard intellectual property and the Board agreed with this point. WM also contributed to the issue of safeguarding intellectual property with regard to Quality Assurance schemes such as the Green Tourism Business Scheme. WM to discuss this issue with Tony Mercer and provide a briefing to the Chairman.

The Board noted the paper and looked forward to further discussion on the role and direction of events and tourism.

Action: WM to discuss the safeguarding of intellectual property with Tony Mercer and provide a briefing to the Chairman.

6. CHIEF EXECUTIVE'S OVERVIEW OF KEY DEVELOPMENTS

The Chief Executive updated the Board on the TourCo & eTourism Ltd shareholders meeting, which he noted had been very constructive. He remarked that discussions focused on the current concession agreement and not beyond it, and included further improvements to the business model. The Chief Executive welcomed the continuing commitment to make visitscotland.com a success and looked forward to the VisitScotland.com meeting on 29 August.

The Chief Executive then informed the Board of discussions with the new administration and that three meetings had been held so far with Jim Mather, Minister for Enterprise, Energy & Tourism. He added that all of these had been positive and provided a good general overview of the Government's priorities, but that there had been no indication of any specific changes with regard to the structure or operation of VisitScotland.

RG reminded the Board of its forthcoming dinner on Monday 27 August with Jim Mather, Minister for Enterprise, Energy & Tourism.

7. CULTURE CHANGE UPDATE

RG highlighted the appointment of the head of Human Resources at VisitScotland, David Anderson, who will be responsible for driving forward VisitScotland's Culture Change strategy. RG stated that a lot of good work was being done on Culture Change and that the project was receiving significant support and buy-in across the organisation.

The Chairman asked if the paper might be missing a link to VisitScotland's values. RG emphasised that the paper was a summary and that these values were key to the development of the Culture Change agenda.

The Board welcomed the Culture Change paper and the Chairman offered the Board's assistance in progressing the Culture Change programme.

The Chief Executive added that the new HR appointment had been elevated to Senior Management Team level to reflect the importance of Culture Change across the organisation.

AP asked if David Anderson would attend future Board meetings. The Board welcomed Mr Anderson's expertise and the Chairman confirmed his attendance.

Action: David Anderson to be invited to attend future Board meetings.

8. REVIEW OF TNS PROJECT

David Noble (DN) introduced a paper on the Review of the TNS Project, which provided a summary of the integration process and considered whether or not the aims of the project had been achieved during the process.

DN informed the Board that VisitScotland had delivered on the aims of the project, that the merger had gone well and that VisitScotland was now in a very encouraging and stable position, with a sound structure on which to build on success to date and to provide continued growth for tourism in Scotland.

BH asked for clarification on the purpose of the paper and DN confirmed that it was not a learning exercise but a review on whether the aims of the TNS Project had been met. The Chairman concluded that it was a follow up to the work of the Audit Committee and 'good housekeeping'.

The Board noted the paper.

9. THOUGHT LEADERSHIP

RG introduced a paper on the Thought Leadership programme for the Scottish tourism industry and invited comment from the Board.

RG informed the Board that the intention is to develop a thought leadership programme focused around the growth ambition and the Tourism Prospectus, which provides effective strategic guidance to the Scottish tourism industry. The purpose is to increase the awareness and focus of tourism businesses on activities that will deliver growth; to reinforce, at VisitScotland, staff understanding of what we do and why we do it; and to improve the industry's understanding of the roles, aims and ambitions of the organisations.

Eddie Byers (EB) noted that his team is currently working on an advisory strategy and that Thought Leadership will fit in with this wider strategy.

The Chairman questioned whether Thought Leadership would involve the industry's input or whether it was more about providing information to the industry. RG confirmed that Thought Leadership did not involve setting up anything new and was more about providing positive, constructive information to the industry.

Lesley Sawers (LS) said that she felt the Thought Leadership initiative was an excellent idea and welcomed its scope for development. LS offered her assistance in furthering Thought Leadership initiatives. BH also acknowledged the value of Thought Leadership and its potential.

The Board welcomed the Thought Leadership paper.

10. PROMOTING SCOTLAND

MR updated the Board on ongoing discussions with the Scottish Government on the promotion of Scotland.

He said that the Minister for Energy, Enterprise & Tourism, Jim Mather MSP met with Jack Perry, Chief Executive, Scottish Enterprise, Sandy Cumming, Chief Executive, Highlands & Islands Enterprise and Philip Riddle, Chief Executive, VisitScotland on 18 June 2007.

At the meeting the Scottish Executive agreed to take forward the development of the VisitScotland proposal to exploit synergies between its own promotion of Scotland as a tourism destination and the Scottish Executive's various international promotions of Scotland as a place in which to work, study and live.

VisitScotland's document focuses on linking policy, brand strategy and delivery.

MR noted the need for convergence and agreement with the Scottish Government and other relevant bodies on the way forward for promoting Scotland. He noted that the document was ambitious but that VisitScotland was confident it could deliver the document's aims and had the expertise to do so, but that it would require shared backing and support.

MR noted that the paper had been submitted to the Scottish Executive and that meetings to discuss it had been positive. He was optimistic that the paper would be welcomed but could not comment on any possible additional budget with which to deliver any new additional promotional duties.

BH stated that it was an excellent paper and should be endorsed whole-heartedly.

Finally, RG noted the Board's upcoming meeting on 27 August with the Minister to discuss the future of Scottish tourism and suggested a briefing session with the Board in advance of this. The Board noted this and RG agreed to provide briefing notes.

The Board looked forward to further discussion of and updates on the document and how its contents on the promotion of Scotland could be taken forward.

Action: Chairman agreed to discuss promotion of Scotland further with Leslie Evans at the Scottish Executive's International Division.

Action: RG to brief the Board members in advance of the 27 August meeting.

11. FINANCE REPORT

Ken Neilson (KN) introduced the Finance Report and noted that the finance audit had now begun. He noted that the organisation's financial performance was on track, despite some issues surrounding local authority funding in some areas, challenges in TIC retail performance and increasing costs. KN added that the new financial reforecasting process was providing a beneficial way of looking ahead and making financial readjustments.

The Board noted the paper.

12. PROPERTY MATTERS

KN introduced the paper on Property Matters and updated the Board on an opportunity that had arisen to relocate Falkirk TIC to the Falkirk Wheel visitor attraction. It was agreed that more details would be provided to facilitate future decision-making.

The Board noted the paper.

Action: KN to provide further details on the possibility of relocation of Falkirk TIC.

13. TIC LEASE CHANGES

DN updated the Board on lease changes at Fort William and Kirkwall TICs.

He noted that negotiations for lease of new premises at 15 High Street had been positive and that agreement had been reached with the landlord. DN added that the Scottish Government's property advisors would approve the move if the Board agreed.

DN then highlighted plans for the Kirkwall TIC to move to new premises. He noted that the Scottish Executive had yet to be convinced of the business case for this move and suggested that that a decision be deferred until the business case is revisited.

The Chairman emphasised the importance of considering the benefit of the move for customers and also consideration of accessibility.

The Board approved the relocation of the TIC to new premises on 15 High Street, Fort William. With regard to the Kirkwall TIC move, the note for approval was withdrawn until the business case is reworked.

14. PROCUREMENT APPROVALS

KN introduced the paper on Procurement Approvals, including tendering for new items of work and the procurement of production for an Information and Sales pilot project involving Arran Aromatics.

WM noted that the pilot project was part of a move to consider the potential of increasing sales revenue by introducing new targeted quality products into the TIC retail product portfolio. The project also aims to improve the choice of products offered in the TICs to consumers.

The Chairman added that a pilot was a prudent way forward.

The Board approved the pilot project for the procurement of toiletries under the Information and Sales project.

Action: WM to provide Board with a paper providing further details of the approach to retailing.

15. THE MCCLELLAND REPORT

KN introduced this paper on the influence and implications of the McClelland Report on procurement. He explained that it had been a catalyst for change in the procurement arena through the identification of substantial and deliverable savings in both cash and efficiencies across the Public Sector in Scotland.

The Board noted the contents of the paper and approved the development of advanced procurement through collaboration with other public sector organisations.

16. CHAIRMAN'S REPORT

The Board noted the paper.

17. CHIEF EXECUTIVE'S REPORT

The Chief Executive provided the Board with a brief update on two employment tribunal cases and noted that VisitScotland was confident that it had acted properly.

AP asked about the staff pay award. The Chief Executive confirmed that a staff pay award was being implemented with effect from 1 August. Discussions were continuing with the Scottish Government on the approach to agreeing pay awards for subsequent years. In response to a suggestion from AP, RG agreed to brief the communications team on the issues being highlighted by other NDPBs with regard to this matter.

18. PROGRESS AGAINST OBJECTIVES

The Chief Executive updated the Board on the Progress Against Objectives paper, which provides an update on VisitScotland's activities. The Board noted the paper.

19. ANY OTHER BUSINESS

RG noted that Board members would receive an electronic copy of the Tourism Prospectus that evening. The Chairman asked what the next step was and RG replied that the document would be posted on the corporate website and that, while there would be no official launch of the document, it would be sent to a number of stakeholders. RG also noted that he had made a presentation on the Tourism Prospectus to SNH and welcomed the positive response it had received.

Next board meeting to be held in Edinburgh on 28 September 2007, venue TBC.

Other dates noted: Thistle Awards on 26 October 2007.

LS expressed a note of thanks on behalf of the 2014 Bid Team to VisitScotland and VisitScotland Glasgow for their work in providing information packs for delegates.