

Minutes of meeting of the VisitScotland Board held at the BLCC, Dunfermline Thursday 2nd September

Present: Peter Lederer (Chairman)
Michael Cantlay
Brian Houston
Donald Anderson

In attendance: Philip Riddle (Chief Executive)
Willie Macleod (Industry Services)
Ken Neilson (Corporate Services)
Malcolm Roughead (Marketing)
Barbara Clark (Communications)

David Noble (Project Director, TNS)

Lynne Raeside and David McIntosh (Minutes)

Apologies: Alex Pagett
Pat Buchanan
Donal Dowds

1. INTRODUCTION

The Chairman welcomed Janet Lowe CBE, Principal of Lauder College, who gave a brief presentation on recent and planned developments for the college.

2. MINUTES OF PREVIOUS MEETING

The minutes of the Board meeting held on Friday 2 July 2004 were approved.

3. MINUTES OF EXTRAORDINARY BOARD MEETING

The minutes of the Extraordinary Board meeting held on 13 August 2004 were approved.

4. MATTERS ARISING

The Board noted the Matters Arising Schedule. It was noted / agreed that:

- Following receipt of VisitScotland's letters to the Minister and John Mason, a letter has now been issued to all local authorities, proposing that the VisitScotland Board be extended by an additional two members. Given the legislative difficulties of such a move, the Chairman has proposed an alternative solution – the establishment of a Chairman's Committee which would have a direct link with the VisitScotland Board – and VisitScotland has been asked to take this forward. The proposal to establish a Local Authority Annual Summit should also be developed. A further two letters are expected from the Executive, covering (i) the commissioning letter; and (ii) the roles and responsibilities of the Board.

- The Gateway review has been completed and a report is due on Monday 6 September.
- VisitScotland has issued its response to the Scottish Statutory Instrument. No reply has been received from the Executive. 14 responses have been received from local authorities. Main themes cover lack of detail following the announcement and the democratic deficit felt by the removal of local Boards. It is intended that the SSI will be placed before Parliament on 16 September and the timetable for scrutiny will be decided by Parliament.
- VisitScotland is working with Liddell Thomson to develop a supplementary communications programme to target SMEs. This programme will support existing communications work. Full details are expected shortly.
- The Chief Executive has received a letter from the Scottish Executive encouraging VisitScotland to continue working with UKTS to source tourism statistics. Given the limitations of UKTS in respect of Scotland, it is possible that VisitScotland may ultimately have to find its own solution in future as the availability of solid statistics is essential.
- Good progress has been made on the service agreement with VisitBritain. Agreement has been reached on core services, and a suite of “added value” items is being developed. VisitScotland is matching the core services with its key priorities.
- The Scottish Executive has drafted a paper on the governance of EventScotland, outlining two possible options. This paper will be copied to the Board for comment and should be raised for discussion at the next Board meeting. Until a final decision on the governance of EventScotland is made, activity reports will be provided as part of the VisitScotland Board papers. David Williams should also be invited to address the Board.
- The Food Grading Scheme is due to be re-launched shortly. A summary of recent consumer research will be provided to the next Board meeting.

5. CHAIRMAN’S REPORT

In presenting his report to the Board, the Chairman highlighted the following:

- The Chairman noted the completion of his tours and highlighted their value and success. He suggested that the format and content be reviewed in the next few weeks with a view to reinventing them, noting that the TNS project communication be a central theme for future tours.
- The Chairman declared an interest in the forthcoming visit to the Ryder Cup. VisitScotland, although not yet allowed to market Scotland using the Ryder Cup, will be present with EventScotland at Detroit in an observer capacity and will be meeting informally with media to discuss Scotland's golfing activity.

The Board noted the report and recommended / agreed the following:

- *The Chairman should advise the Minister at his forthcoming meeting of feedback from the tours. In particular, the Minister should be made aware of discussions on the development of area tourism strategies as a way of engaging local authorities.*
- *The Chairman's tours should be reviewed and re-introduced.*

6. CHIEF EXECUTIVE'S REPORT

The Chief Executive presented his report to the Board, highlighting key activity during July and August.

The Board noted the report.

7. REVISED REPORTING MECHANISM

The Director of Corporate Services presented a paper outlining a revised format of Board papers and a new reporting mechanism.

The Board noted the report and approved the proposed format. In addition, it was suggested that each paper should include an executive summary.

8a REPORT FROM THE DIRECTOR OF MARKETING

In presenting his report to the Board, the Director of Marketing highlighted the following:

- There will be 4 new routes announced by Ryanair coming into Prestwick: Neiderheim (November 2004), Hamburg (March 2005), Pisa (March 2005) and Alicante (March 2005). The two German and the Italian routes are particularly important for VisitScotland.
- A meeting has been held with John Henderson at the Executive regarding Tartan week and the Executive has signed up to the Scotland village concept in Grand Central Station.
- Autumn Gold has been launched. With ROI up from 6:1 to 11:1 since its launch, it is still considered to be a vital part of VisitScotland's marketing activity.

The Board noted the report.

8b REPORT FROM THE DIRECTOR OF INDUSTRY SERVICES

In presenting his report to the Board, the Director of Industry Services highlighted the following:

- The launch of the litter campaign has been delayed as a result of a delay in the arrival of the bags. It is likely that the campaign will be delayed until the spring.
- Discussions are being held with the Scottish Tourism Forum on future projects. While VisitScotland does not core fund the organisation, it provides an element of project funding.

The Board noted the report and recommended / agreed the following:

- *The Chairman should seek a meeting with the Welcome Tsar and, among other subjects, should raise the matter of litter with him.*
- *A watching brief should be kept on the progress of the Scottish Tourism Forum.*

8c REPORT FROM THE DIRECTOR OF CORPORATE SERVICES

In presenting his report to the Board, the Director of Corporate Services highlighted the following:

- VisitScotland's legal services will now be provided by Biggart Baillie.
- A revised set of values for the new organisation has been produced – pride, innovation, inclusiveness, confidence, excellence.
- The pay review has been agreed and will be paid to staff in September.

The Board noted the report and approved the revised values.

8d REPORT FROM THE HEAD OF COMMUNICATIONS

In presenting her report to the Board, the Head of Communications highlighted the following:

- TNS communications are ongoing.
- The Minister's summer tour, to which VisitScotland had significant input, has been very successful and will be repeated next year.

The Board noted the report

9. VISITSCOTLAND KEY PERFORMANCE INDICATORS 2004/05

The Director of Corporate Services presented a paper reporting on VisitScotland's YTD performance in 2004/05 against its key performance indicators. Although early in the year, there were no current concerns highlighted.

The Board noted the report.

10. REVIEW OF VISITSCOTLAND.COM

The Director of Corporate Services presented two papers on visitscotland.com.

The first, an extensive annual review, prepared over the last few months, shows that there have been some delays in delivery of the initial Business Plan. There have been issues on both the technical side and with regard to website development. However, the overall financial position remains on target.

The second, a report on July's performance, shows that the poorer than expected TIC Sales and Bookings have been offset by higher conversion rates and transaction values. Service levels are satisfactory, with 80% of calls being responded to within 20 seconds.

It was noted that these reports addressed recent recommendations from Audit Scotland about reviewing visitscotland.com performance.

The Board noted the reports and agreed / recommended the following:

- *Deliverables for the contact centre should include a service element.*
- *When negative reports on visitscotland.com appear in the press, the organisation's response should be circulated to all stakeholders, including the Board.*
- *In communicating the role of visitscotland.com, it is important that expectations are managed so that there is a greater understanding that the contact centre cannot deal with very detailed local information requests.*

11. TNS PROJECT UPDATE

David Noble, Project Director, Tourism Network Scotland, updated the board on the progress of the Tourism Network Scotland project.

- All 15 reports from the process integration sub-streams have been delivered. These are being matched against the VisitScotland vision and being tested against HR and financial assumptions. Senior management will be involved in analysing the plans. The plans also identify savings, although it has been difficult to identify all savings at present. At this stage, the aim is to break even by April 1st 2005, after which further efficiencies will be considered.
- Advice has been given to ATBs encouraging them if possible not to commit to long term contracts until the new network is established with the possible exception of appointing staff for EU funding application purposes.
- Gateway Review 2 has been completed.

The Board noted the update and, in particular, the following:

- *The Industry Engagement proposals are excellent. However, concerns remain about the resource implications of implementing them. In addition, ongoing management of the project will require significant resources.*

12. VISITSCOTLAND RISK STRATEGY

The Director of Corporate Services presented a report on progress made by VisitScotland to review the current risk strategy. PWC and Audit Scotland have agreed to participate in the review. The need for a risk manager has been identified.

The Board noted the report and agreed / recommended the following:

- *The Director of Corporate Services should employ a consultant to oversee the initial set up processes. He should then take over the role of Risk Manager.*

13. OFFICE MOVE

The Director of Corporate Services presented options for the office move. Following advice from the Scottish Executive Property Review Group, a further search for suitable properties had been carried out and another sites identified.

The Board noted the report and agreed / recommended the following:

- *The final decision on the site should take into consideration issues such as cost, transport and business efficiency.*
- *The Chairman and Chief Executive should seek advice from the Minister to determine whether the original steer towards a regeneration area remained relevant. If so, the Board should stand by its original decision. If not, further information on the alternative site should be provided to allow the Board to reach a fully considered decision as soon as possible.*

14. REVIEW OF IT PROJECT

The Director of Corporate Services presented a paper on progress to date on the IT project. He reported that a recruitment process is currently ongoing for an IT project Manager, with interviews underway.

The Board noted the report.

15. FREEDOM OF INFORMATION

The Director of Corporate Services presented a paper updating the Board on VisitScotland's progress to comply with the Freedom of Information (Scotland) Act. The publications scheme has been lodged with the Information Commissioner.

The Board noted the report.

16. 2005 SCHEME YEAR –SERVICED AND SELF-CATERING QUALITY ASSURANCE SCHEME

The Director of Industry Services presented a paper outlining the proposed increase in serviced and self-catering quality assurance fees for the 2004/2005 scheme year. The increase has been unanimously approved by the Industry Overseeing Committee.

The Board noted the report and endorsed this level of fee increase.

17. FINANCE REPORT

The Director of Corporate Services presented the Finance Report which summarised the Board's financial results for the four months to 31 July 2004.

The Board noted the report.

18. SEASON TO DATE REVIEW

The Board noted the Season to Date report.

19. ANY OTHER BUSINESS

- The Director of Industry Services presented a paper on the Pride & Passion Initiative. This is an industry-based communication project designed to motivate businesses and increase focus on the consumer; provision of quality, value for money services; attitude and welcome; productivity and growth; and achieving enhanced status for the industry. VisitScotland has agreed to contribute funding to the project and is currently working on a formal offer of support.
- The Board Strategy Away-day will be held on 14 and 15 October. The venue will be confirmed shortly.
- Barbara Clark and Tony Mercer were suggested as Chairs for the Pink Tourism lecture on 14 September.