

## **Minutes of meeting of the VisitScotland Board held at Ravelston Terrace, Edinburgh on Friday 19 March 2004**

Present: Peter Lederer (Chairman)  
Michael Cantlay  
Donald Anderson  
Pat Buchanan

In attendance: Philip Riddle (Chief Executive)  
Hugh Hall (Corporate Services)  
William Macleod (Industry Services)  
Malcolm Roughead (Marketing)  
Lesley Sawers (Communications)  
  
Lynne Raeside (Minutes)

Apologies: Donal Dowds  
Brian Houston  
Alex Pagett

### **1. INTRODUCTION**

The Chairman thanked everyone, in particular Pat Buchanan, for accommodating the change of venue.

### **2. MINISTERIAL ANNOUNCEMENT**

The Chief Executive provided an overview of the conclusions of the ad hoc Cabinet Committee, acknowledging that increased investment in marketing and quality was very much welcomed. It was noted that reaction to the announcement has been very positive in the main and the ATBs issued a joint statement welcoming the conclusions.

Internally, the focus is now on organisational change to reflect the decision to integrate the existing ATBs within VisitScotland. A meeting was held with ATB CEOs on Wednesday with the Scottish Executive. This provided an opportunity for ATBs to raise issues of concern and to begin considering how the change process might be managed.

The Chief Executive presented VisitScotland's project plan, outlining six main tasks which need to be undertaken and proposing the establishment of three core projects, to be managed by a dedicated project manager(s). Throughout the integration process the emphasis will be on "business as usual", recognising the challenge to maintain levels of funding.

The integration process will be led by the Scottish Executive but it was agreed that VisitScotland should play a key role in determining the vision and in implementing the policy as determined by Ministers. Work has already commenced on a vision for the network and this will be reviewed and circulated to the Board week commencing

22 March for agreement. This should be accompanied by a resource plan to identify the resources required for the integration process and resources currently available.

Once the vision is finalised, key messages should be communicated to all stakeholders and their support and commitment sought. Messages should be agreed with the Scottish Executive to ensure consistency. It was also agreed that an early meeting with the Minister and Board members should be arranged to consider how best the Board can contribute to the implementation of the integration process.

### **3. MINUTES OF PREVIOUS MEETING**

The Minutes of the Board meeting held on Friday 30 January 2004 were approved.

### **4. MINUTES OF THE AUDIT COMMITTEE MEETING OF 30 JANUARY 2004**

The Minutes of the Audit Committee meeting held on Friday 30 January 2004 were approved.

### **5. MATTERS ARISING**

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

- There is an ongoing issue regarding performance statistics. This problem is now being given serious attention by VisitBritain and DCMS. The status quo is not an option. It is hoped that a UK solution will be reached but serious thought is being given to a Scottish alternative solution. There is a possibility of links with the private sector.

### **6. CHAIRMAN'S REPORT**

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

- The tours to Fife, Edinburgh & the Lothians and the Scottish Borders were all extremely positive. Tours to Dundee & Angus and to Aberdeen and Grampian are in the planning stages.

*The Board noted the report and agreed that the tours are worthwhile and should be continued. They should be continued on an ongoing basis and extended to involve other Board members where appropriate.*

### **7. CHIEF EXECUTIVE'S REPORT**

In presenting his report to the Board, the Chief Executive highlighted the following:

- Against the backdrop of the ad hoc Cabinet Committee announcement, ongoing activity continues and several good projects are being progressed.

*The Board noted the report.*

#### **8a. REPORT FROM THE DIRECTOR OF MARKETING**

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

- A new pan-European campaign has been launched across eight European countries. The strapline – “Scotland: Welcome to our life” – fits very well with the First Minister’s wider initiative of attracting people to Scotland to “live, visit or work”.
- Plans for Tartan Day are progressing well. Rather than being involved in the parade, activity this year will be more focused in order to maximise the potential of the event and maximise resources. Work is underway with the New York Times which includes online and radio advertising. Four tartan cabs will travel around New York and be used as part of a promotion with Continental Airlines to promote the new route to Edinburgh. VisitScotland is also involved with the Icons of Scotland Awards and is sponsoring the Tour Operator of the Year Award. The Business Tourism Unit is also undertaking activity with a key lunch being held at the 21 Club. In addition, VisitScotland will be represented at the Fun Run event in Central Park and at the Dressed to Kilt event.

*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 Overseeing Committee for the Visitor Attraction Scheme has agreed to the Board’s proposition regarding the fee increase for visitor attractions. As a result, the smaller, not for profit, attractions will pay £2 extra per annum, while the larger attractions will pay £10.50 extra per annum.
- The Product Development Department is working with Keep Scotland Beautiful to launch a litter campaign, aimed in the first instance at visitors through car hire companies and petrol forecourts but with the possibility of extending it further in the future.
- Work continues on the food grading scheme proposals and it is hoped that a new scheme will be available shortly.

*The Board noted the report and agreed/recommended that:*

- *The proposed litter campaign is a welcome initiative. The Royal Bank of Scotland is a particular supporter of litter campaigns and could be approached for sponsorship. Donald Anderson and Alex Pagett both have good contacts within RBS who could be approached. Board members invited to identify other potential sponsors for this important campaign.*
- *Work with the Scottish Museums Council to encourage them to get involved with genealogy tourism is a positive initiative. It is important that the 300 plus SMC members are aware that they are part of the tourism sector.*

### **8c. REPORT FROM THE DIRECTOR OF CORPORATE SERVICES**

The Chairman thanked the Director of Corporate Services for his huge commitment to VisitScotland over the past three years and, on behalf of the Board, wished him every success in his future role at Audit Scotland.

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

- The Tourism Framework for Action Steering Group is meeting on Monday 22 March. It has been agreed that the TFFA must thread in the new ambitions for Scottish tourism into its strategy for moving forward. The Pride & Passion project will be a key topic under discussion at the meeting. Through SpringBoard, the group has produced a video about people working in the industry which will be rolled out through schools and career fairs.
- TourCo has signed off the e-tourism business plan.
- Progress is being made on the search for new premises. We are currently awaiting the outcome of responses to the advertisement for sites. A more detailed report will be available at the May meeting.
- Considerable stakeholder and political support was achieved in response to the Ministerial Statement on the future of Scottish tourism.

*The Board noted the report and agreed that the Pride & Passion Director should be supported to focus on one or two key projects rather than being pulled in lots of different directions.*

### **9. BUSINESS PLAN 2004/7**

The Director of Corporate Services presented latest version of the Business Plan which reflects the comments made at the January Board meeting. In addition, it has been shared informally with the Scottish Executive and other partners whose comments have been taken into account. It still requires changes to reflect the Ministerial announcement, although no major changes will be necessary. An addendum, reflecting the Ministerial announcement, will be presented to the May Board meeting.

*The Board noted the report and approved the Business Plan.*

### **10. COMMUNICATIONS REVIEW**

The Chairman thanked the Strategic Communications Adviser for her contribution to VisitScotland over the past 14 months, during which she has implemented major changes to the communications function. On behalf of the Board, he wished her every success in her new role at the Glasgow Chamber of Commerce.

The Strategic Communications Adviser gave a presentation on the achievements of the Communications Department over the past year and set out the medium to long term objectives and requirements going forward. In particular, she highlighted the significant change in the organisation's reputation over the year, noting the huge increase in the amount of positive net media coverage and the improvement in stakeholders' perceptions of the organisation. Considerable work remains to be done, not least to maintain the position which has been reached. In this respect, she recommended that the positioning of corporate communications within the organisation would be important for the future.

*The Board noted the report and agreed that considerable achievements had been made in communications over the past year. In particular, it was recommended that communications must remain a key focus going forward.*

## **11. RISK MANAGEMENT REPORT**

The Director of Corporate Services presented a paper to the Board outlining the results of the review of risk management. An updated version of the Risk Register, which identifies 10 key strategic risk and a further 20 operational risks, has been approved by the Audit Committee. Some work remains to be done, but good progress is being made with the action plans to mitigate all identified risks and our efforts are on target.

*The Board endorsed the report.*

## **12. FINANCE REPORT AT 29 FEBRUARY 2004**

The Board received a report from the Director of Corporate Services on VisitScotland's financial performance for the 11 months to 29 February 2004. The Director of Marketing outlined spending plans for the End of Year Flexibility funding which had been awarded to VisitScotland, all of which are consistent with the existing business plan:

- extension of national TV, cinema and media advertising which will increase Scotland's exposure in comparison with key competitors;
- bolstering of European campaigns and upweighting of US activity;
- upgrading of exhibition material;
- funding to develop a Scottish "village" which will be used primarily to support overseas promotional activities, with the aim to secure support of strategic partners and thereby establish an income generator in future years.

*The Board noted the report and endorsed the spending plans for the additional funding. It was agreed that the concept for the Scottish "village" would be presented to the May Board meeting.*

## **13. EMPLOYEE OPINION SURVEY OUTCOMES**

The Director of Corporate Services presented the results of the Employee Opinion Survey and outlined the communication process for staff.

*The Board noted the report and congratulated the Management Team on excellent results, in particular in relation to feedback on performance and on learning and development opportunities.*

#### **14. SEASON TO DATE**

The Board noted the Season to Date report and in particular that air passenger trends are extremely positive. In addition, it was reported that forward bookings across Scotland are very positive.

#### **15. ANY OTHER COMPETENT BUSINESS**

- **Expo 2004:** Board members were reminded that VisitScotland Expo 2004 takes place in Aberdeen on 21 and 22 April and were asked to advise the Corporate Affairs Team if they would be attending.
- **Green Tourism:** Concerns have been raised about the Green Tourism Business Scheme (GTBS) in relation to low uptake and difficulties accessing the scheme. It is generally agreed that the scheme itself is excellent. However, operators tend not to see the benefits of the scheme as there is low consumer demand. It was therefore suggested that consideration be given to using some of the additional funding for quality to promote the scheme more widely. It was also noted, however, that there is a wider problem with Scotland not being seen as a green destination. This issue needs to be addressed at a higher level. Through the VisitScotland Business Plan steps are being taken to address this issue but this needs to be addressed across a much wider spectrum. It was agreed that green tourism should be viewed as more of a priority.
- **The Convention of the Highlands and Islands:** It was noted that tourism is on the agenda and that the Minister will be presenting a paper to which the Director of Industry Services will respond. The First Minister will also be present.
- **May Board Meeting:** The next Board meeting will be held on 7 May in Edinburgh at 09:30.
- **June Board Meeting:** The June Board meeting has been re-scheduled to Friday 2 July. It will be held in Inverness.