

## Minutes of meeting of the VisitScotland Board held at Knockhill Racing Circuit, Fife on 24 November 2006

**Present:** Peter Lederer (Chairman)  
Willie Dunn  
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)

Lynne Raeside (Minutes)

James Lakie, External Relations Executive, VisitScotland Fife  
Cheryl Baer, Marketing Executive, VisitScotland Fife

**Apologies:** Pat Buchanan  
Donal Dowds

### 1. MINUTES OF BOARD MEETING HELD ON 20 OCTOBER 2006

The minutes of the meeting held on 20 October 2006 were approved subject to the following change:

**Page 3, paragraph 5:** delete: "However, it was agreed that local Chambers of Commerce should be the channel for dealing with these issues."

### 2. MATTERS ARISING

#### Board Operation

The Chairman reported on his meeting with Brian Houston (BH) and Riddell Graham (RG). He noted that a paper will be presented to the January Board meeting. He confirmed that there will be eight Board meetings each year. It was agreed that dinners preceding the Board meetings are a useful way to engage with external partners. The Chairman also confirmed that the decision making process would be clarified and there would be clarity about what requires a formal decision by the

Board. He also reported that there would be a discussion at the January Board meeting to agree on agenda items for the coming year.

**Action: Paper to be produced for January Board meeting confirming reporting mechanisms.**

### **Beaully to Denny Pylons**

RG reported that Stephen Page of Stirling University had been commissioned by VisitScotland to undertake a critique of the Environmental Impact Assessment supporting the Beaully to Denny pylons. On the basis of this critique, VisitScotland is submitting a position paper arguing that the EIA in respect of tourism is poor; that it should be reworked; and that it should take into consideration the impact the proposal could have on the surrounding landscape. Stephen Page will also act as VisitScotland's expert witness at the Public Inquiry if required.

The Board approved this approach.

## **3. DISABILITY EQUALITY SCHEME**

David Noble (DN) presented VisitScotland's draft Disability Equality Scheme to the Board. He explained that all public bodies are required by the Scottish Executive to publish a Scheme. VisitScotland's scheme currently consists of a position statement on what the organisation currently does to address disability equality issues and a brief action plan for the future. Input from disabled organisations is also required before the plan can be completed but there is a backlog due to the pressure on these organisations from the large number of public bodies producing such schemes.

DN reported that the draft represents an initial scheme which will be continually reviewed and updated as required, with a formal review and renewal every three years. He also noted that it is a statutory requirement to have such a scheme.

The Board approved the scheme.

## **4. COMPETITIVE ENVIRONMENT**

RG introduced the competitive environment paper which provides an update on trends in Scotland and across the globe. He drew particular attention to the international passenger figures which are impressive; to the work of Failte Ireland and its partnership with Ryanair and eGolf4Less.com to provide an online tee-time reservations service for passengers golfing in Ireland; and to the report from John Lennon on the success of Kelvingrove.

BH asked for additional information to back up the international visitor numbers. RG agreed to provide this for the January Board meeting.

**Action: RG to provide additional support material for the international visitor numbers.**

## 5. VISITSCOTLAND.COM

Malcolm Roughead (MR) presented the most recent results from VisitScotland.com. He explained that the current variance from the Business Plan will improve towards the end of the financial year. Losses are due largely to lower footfall in Tourist Information Centres (TICs) which is in line with the increase in people using the website to make their bookings. With the transfer of VisitScotland.com's technology platform to Tiscover, VisitScotland.com will be able to capitalise more fully on this trend towards web bookings.

MR also reported that the transition to the new platform took place on 20 November as planned. There had been a few minor problems and some training issues had been identified. However, overall the new platform has been viewed as a significant improvement.

The Board noted the report.

## 6. CHIEF EXECUTIVE OVERVIEW OF KEY DEVELOPMENTS

The Chief Executive introduced a paper outlining key developments since the previous Board meeting. Topics covered in this paper included: planning & budget, segmentation strategy, information and sales, Sage Line 500, World Travel Market, Scottish Thistle Awards, the Tourist Boards (Scotland) Bill, and the National Tourism Convention.

The Chief Executive also reported on the reduction in local authority funding from Dundee City and Angus Councils. As a result of a reduction in funding of £236,000, savings will have to be made in the Dundee office area in the next financial year. This is likely to impact on the number of TICs in the Angus area and on the operation of the Dundee City TIC. DN also reported that the Dundee brochure will be merged with Perthshire. While these plans have been discussed and agreed with Council officials, it is intended that meetings will take place in January with elected members.

DN reported that while Dundee City Council had decided to withdraw its funding to VisitScotland, it will continue to provide full funding to the Convention Bureau as it sees its future in business tourism.

It was agreed that the timing of any changes would need to be considered carefully. Ideally, VisitScotland would like to make an announcement jointly with the two local authorities concerned with all parties publicly recognising the need for these changes. While it was acknowledged that this might not be possible, due to political pressures, it was agreed that this approach should be pursued in the first instance. Eddie Byers (EB) also noted that communication to the industry will be required as the next Marketing Opportunities campaign will be marketed to the industry in February.

**Action: Communication plan to be progressed on announcement of changes within Angus and Dundee.**

The Chief Executive also reported that a full report on the segmentation strategy will be presented to the January Board meeting.

## **7. PRINT STRATEGY REVIEW**

MR presented the summary of progress to date with the Print Strategy Review and the key recommendations. The Board approved the recommendations. It was agreed that the key to successfully implementing the recommendations would be communication. EB noted that there will be a particular need to communicate these messages to the industry as there may be some concerns about a move away from print. He explained that given printing deadlines, there would be a period of only 18 months in which to ensure messages were communicated clearly to this particular group. RG suggested that the Scottish Tourism Forum and the Tourism Innovation Group should be used as vehicles to communicate messages so that the industry hears about changes from their peers. The Chief Executive also noted that part of engaging the industry in the proposed changes would involve offering them alternatives to print.

The Board approved the direction of the print review.

## **8. EUROPEAN FUNDING**

RG introduced a paper updating the Board on the consultation exercise launched by the Scottish Executive in relation to the draft Operations Programmes for the European Structural Funds in Scotland from 2007-13. The consultation paper was issued in October and VisitScotland will prepare a response which will be shared with the Board by email before it is submitted in January.

He also reported that work is ongoing to maximise European funding opportunities. The European teams are keen to see pan-Scotland activity which is encouraging for VisitScotland.

The Board approved this approach.

## **9. TOURISM INTELLIGENCE UNIT**

RG introduced a paper advising the Board of the creation of the joint Tourism Intelligence Unit and providing an update on its recent activities. He reported that there are differences among the organisations as regards the direction the unit should ultimately take. VisitScotland is keen to limit this to a unit which allows for the sharing of research among the member organisations and with industry.

The Board noted the report.

## **10. AREA TOURISM PARTNERSHIPS**

RG presented a paper providing an update on progress being made by the Area Tourism Partnerships (ATPs). ATPs are a key conduit for delivery of the Tourism Framework for Change (TFFC). VisitScotland does not have responsibility for the ATPs

but works closely with them. Half of the 18 plans have now been completed, a couple are almost at the point of completion and some are currently mid-cycle. VisitScotland will now consider them all together and identify any gaps which exist. A report will be made back to the TFFC Monitoring Group.

The Chairman asked how ATPs could be used to manage the growing number of Destination Management Organisations (DMOs). RG reported that greater clarity on DMOs is required before a strategy can be developed in terms of managing them. Scottish Enterprise is currently drafting a paper to define DMOs more clearly. Ultimately, the aim will be to tie DMOs into the ATPs. It was agreed that VisitScotland should seek to influence the Scottish Enterprise paper to ensure that DMOs did not transform into local marketing groups.

## **11. SCENARIO PLANNING**

RG introduced a paper on the implications of today's risk averse society on the tourism industry. The Board noted the report and agreed that it raised some interesting points about the risks of over-regulation on businesses. It was suggested that papers of this nature should be circulated as information papers outwith the Board papers to ensure Board members are kept fully informed of external issues impacting on tourism. Where the impact might be significant and warrant discussion by the Board, papers should be submitted as part of the Board agenda and should identify clearly what the context is and what the impact might be on VisitScotland.

## **12. PROPERTY MATTERS**

Ken Neilson (KN) presented a paper to the Board seeking approval for lease formalisation, lease extensions and lease sub-let extensions of surplus space to third parties. He reported that as a result of negotiations in Fort William there may be a need to move to alternative premises. Suitable alternative premises have been sourced if a move is required.

The Board approved the recommendations.

## **13. FINANCE REPORT**

KN presented the figures to the end of September 2006. While at the end of September it appeared that income from local authorities was down against budget, income is now beginning to come through and will be reflected in the next report to the Board.

KN reported that the accounts are now with Audit Scotland for final review. An Audit Committee meeting will be arranged to sign them off. It was noted that the accounts will not be available at the Public meeting but will be available shortly afterwards on [visitscotland.org](http://visitscotland.org). It was agreed that communication around the change in format of report will be important.

The Board noted the report.

#### **14. CHAIRMAN'S REPORT**

The Chairman introduced his report on activities since the previous Board meeting. He drew particular attention to the Aberdeen tour which had been extremely worthwhile and had raised some interesting discussion points. Aberdeen is in a difficult position as the success of the oil industry has allowed complacency to set in. There are no discussions underway to address the future. There is a feeling in the area that there is a need for additional stock, particularly of the four and five star quality. In addition, industry representatives in the area also felt they needed additional support in terms of providing information to visitors. WMac noted that support can be provided in this respect, either through provision of the e-listing service or through training of staff on information provision and using the local TIC. RG also noted that the local ATP Action Plan should flag these issues up as matters to be addressed.

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

The Chief Executive introduced his report on activities since the previous Board meeting. He reported that the pay award which would be submitted to the Scottish Executive would amount to an increase in the overall paybill of 3.4%. This increase falls within the requirements of the Public Sector Pay Guidance for 2006-07. The Chief Executive further noted that this year's pay award proposals represent an interim arrangement and HR are considering more fundamental changes.

The Board approved the recommendation.

The Chief Executive reported that World Travel Market had been even bigger than before. Although VisitScotland's presence was downscaled to an extent, there were more partners than before and the approach was more professional. It was agreed that consideration needs to be given to whether VisitScotland continues to attend WTM in the future.

The Chief Executive reported on a useful meeting he and Ben Carter had held with the new leader of the City of Edinburgh Council, Ewan Aitken. Cllr Aitken expressed particular interest in the brand but primarily in terms of selling the brand to the people of Edinburgh. He is keen to ensure that the people of Edinburgh understand the importance of tourism and the relevance of the brand. Discussions also centred around the need for inward investment into the hospitality sector in Edinburgh to allow the city to work towards achieving 50% growth.

#### **16. PROGRESS AGAINST OBJECTIVES**

The Chief Executive introduced the Progress Against Objectives paper which provides an update on VisitScotland's activities.

WMac reported on the trials being carried out around Hogmanay using SMS, PDAs and podcasts to provide information to visitors. He offered to send Board members a pack with all the details.

The Chief Executive reported that an article is due to appear in the Sunday Herald which will focus on the tourism prospectus. It will also mention the additional £550,000 for new technology which has been provided by the Scottish Executive. The Executive will follow this article up with a more general press release.

#### **17. ANY OTHER BUSINESS**

- The Chairman suggested that it would be useful for a paper to be produced outlining possible scenarios post-election. RG confirmed that information gathering is taking place and a paper could be produced in due course.
- The Chairman reminded Board members that the Annual Public Meeting would be held on Friday 8 December.
- BH asked for additional information to be provided to the Board on industry engagement and on the role of Area Directors, their interaction with ATPs and how the roles are operating post-merger.

#### **18. PRESENTATION FROM FIFE NETWORK OFFICE**

The Chairman welcomed James Lakie (JL), External Relations Executive, and Cheryl Baer (CB), Marketing Executive, to the meeting. JL explained that the Fife Tourism Alliance, which was established in 2005, acted as the area's Area Tourism Partnership. It has representatives from VisitScotland, Fife Council, Scottish Enterprise Fife, the local Federation of Small Businesses, the Chamber of Commerce, Fife College and the industry.

The relationship with the Fife Tourism Alliance is extremely positive and there has been considerable two-way communication. The Alliance has taken on a lobbying role, e.g. commenting on ship to ship transfer of oil and on a new crossing for the Forth. The Alliance has also been actively supporting the skills agenda and the Fife Skills Challenge, an initiative with local schools. It has also supported the regional launch of 100,000 Welcomes.

The Alliance is developing the Fife Tourism Strategy. Its aim is to build on the main areas of competitive advantage in the area, e.g. golf, coastal fringe, food, St Andrews and benefiting from the city region.

CB explained that local marketing activity is being aligned to national activity. She noted that the seasonal campaigns had been particularly successful, with increases in response rates compared to stand alone local campaigns. By working with the national campaigns, the area is reaching more people and a more targeted audience. More localised campaigns include an Old Course Off Peak initiative with private sector partners. It aims to address misconceptions that the Old Course is not available and it also extends the season. The Dine Around concept is also being developed in Fife, together with Angus & Dundee and Perthshire. It will be launched in December and will run in the quieter months of January and February. The Fife area is also re-developing its area of the website, the first area to do so under the new Tiscover technology platform. A new 2007 brochure will also be launched shortly.

In terms of industry engagement, there have been challenges maintaining income levels but the office is still engaging with approximately 500 businesses. Income levels for marketing opportunities are being maintained. The majority of businesses are very positive about VisitScotland. The local office has run a series of networking events, including an event on green tourism which led to increased interest in the Green Tourism Business Scheme. There has been little interest in the Challenge Fund but progress is being made with local golf groups who have started to work with accommodation providers. The local office is also involved with a number of local initiatives, including St Andrews World Class, Kirkcaldy Renaissance and Royal Dunfermline.

From an information perspective, there are five TICs in the area, three year round. Fife is piloting the What's on e-listing initiative which has arisen from the Information and Sales Review. The network office has also secured funding from the local authority to look at local tourist information provision.

The Chairman thanked James and Cheryl for attending the meeting.