

## **Minutes of meeting of the VisitScotland Board held at Ravelston Terrace, Edinburgh on 15th October 2004**

(These minutes have amendments – shown in italics in sections 7 and 10 – which were approved at the December meeting)

Present: Alex Pagett  
Brian Houston  
Donald Anderson  
Michael Cantlay  
Pat Buchanan  
Peter Lederer (Chair)

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

David Noble (Project Director, TNS)  
Eddie Byers (Trade Marketing - for agenda item 8)

Gillian Upton (Minutes)

Apologies: Donal Dowds  
Willie Macleod (Industry Services)

### **INTRODUCTION**

The Board recorded congratulations to Edinburgh, chosen by UNESCO as the world's first City of Literature and winner of the Condé Nast Traveller Readers' Award as best destination city in the UK, and to Caithness Archaeological Trust for promoting and developing Caithness archaeology, achieving winner and runner up in 2 categories of the prestigious British Archaeology awards.

#### **1. MINUTES OF PREVIOUS MEETING**

The Minutes of the Board meeting held on 2nd September 2004 were approved.

#### **2. MINUTES OF AUDIT COMMITTEE MEETING OF 1ST JULY 2004**

The Minutes of the Audit Committee meeting held on 1st July 2004 were approved.

### **3. MATTERS ARISING**

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

- TNS Project: we have received a letter from the Scottish Executive (dated 15th September 2004) listing some details of the project management aspects of the project. This is in addition to the letter of 27th August, setting out Board responsibilities, and already circulated.
- Supplementary Communications Programme: this has been agreed in conjunction with Liddell Thomson. It will target smaller businesses and cover the whole of Scotland. Details will be circulated to the Board with suggested Board member involvement, perhaps based on geographical areas.
- Publication Scheme (Freedom of Information): this has been accepted by the Freedom of Information Commissioner and will come into effect on 1st January 2005. We intend to run some seminars on Freedom of Information.
- Tourism Statistics: we have agreed to continue to work notionally with UKTS until March 2005. However, we are continuing to explore possibilities for a longer term solution.
- Media Evaluation: we are continuing to look at systems and intend to test the new system being used by the Scottish Executive.

### **4. CHAIRMAN'S REPORT**

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

- The Chairman had a useful meeting with Eric Milligan ("Welcome Tsar"), whose remit is to produce for the First Minister, by January 2005, proposals for making sure visitors' arrival and departure experience is first class.
- The Chairman (and Chief Executive) met the new Minister for Tourism, Culture and Sport, Patricia Ferguson MSP, and presented the ambitions proposals.

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

- *The Chairman should invite the Minister to a Board dinner as soon as possible.*
- *The Chairman should invite the Minister to speak at the Thistle Awards.*

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

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

- Employee Opinion Survey: although this is a key performance indicator and the survey normally takes place in December, the Chief Executive proposed to postpone it until Summer 2005 in order to reflect the views of all employees in the integrated network and establish a new baseline.

*The Board noted the report and agreed the following:*

- *The Employee Opinion Survey should be postponed until Summer 2005.*

## **6. PROGRESS AGAINST OBJECTIVES**

The Directors presented this report to the Board. The Director of Corporate Services highlighted the following:

- Following on from a recent VAT audit, Customs and Excise are seeking further clarity on three issues.

*The Board noted the report and endorsed the new format..*

## **7. VISITSCOTLAND.COM MONTHLY PERFORMANCE TO AUGUST 2004**

In presenting this report, the Director of Marketing highlighted the following:

- VisitScotland.com is running well and costs have been minimised. The operation is poised to move into a new phase with some exciting projects *and e-commerce opportunities* in the pipeline.

*The Board noted the report.*

## 8. TNS UPDATE

Eddie Byers (Trade Marketing Manager) joined the meeting and gave a short presentation outlining the transition plan that had been developed for the industry engagement element of the project. This highlighted the resources needed for this work. Following this, the Head of Communications presented an update of the communications plan for the project.

David Noble, Project Director, Tourism Network Scotland, updated the Board on the overall progress of the Tourism Network Scotland project and highlighted the following:

- Due diligence assessment of ATBs is scheduled for completion by 31st January 2005.
- The Minister is expected to make an announcement about the integrated network in early November. Following this, information about the network structure, role of the local centres and overview of the main changes (especially industry engagement) will be made available. A transitional plan for the whole project would be in place by 1st November.
- There are sufficient resources for the industry engagement project but additional resources might be needed for HR and IT.
- An extended risk register to cover transitional and implementation phases is being prepared.

*The Board noted the report and agreed the following:*

- *Agreed that proposals for processes in the new network are fit for purpose, subject to papers to 3rd December 2004 Board covering a) the network's future role in product development and b) the future approach to sales and information services.*
- *Agreed the senior management structure. Subject to final Ministerial approval, the Board authorised the Chief Executive to proceed with recruitment to senior management positions in the new structure, making sure that there is consistency in the selection panel for these posts. It was agreed that Remuneration Committee members would handle these aspects on behalf of the Board, one member per selection panel, as required. The Remuneration Committee will also act on behalf of the Board as a point of reference with regard to senior staff job grading and job families.*
- *Agreed the submission of the processes and structures to the Minister for Tourism, Culture and Sport for approval on the understanding that final review before approval will take place at the Minister's Project Advisory Board on 1st November 2004.*
- *Agreed that the processes and structures should be presented to network employees and other stakeholders close to the time of the Ministerial announcement.*
- *Agreed that the Project Director makes sure that a detailed project implementation plan covering the whole project, setting out clear targets and milestones is prepared by 1st November, with the Board being kept informed of progress on delivery of the plan.*
- *Noted the current project risk register and recommended that an extended risk register covering transitional and implementation phases, which should integrate with the current phase, should be submitted to the 3rd December 2004 Board and then to each subsequent Board meeting.*
- *Agreed that the Board's acceptance of responsibility for managing the new network is subject to further discussion with the Scottish Executive on:*

- *Issues arising over the financial commitments to be inherited from ATBs, ascertained through a due diligence assessment of ATBs scheduled for completion by 31st January 2005.*
- *A review of the financial viability and sustainability of the network when a fully costed network plan becomes available (scheduled for 31st December 2004).*
- *Recommended that the TNS progress reports currently circulated to MSPs should also be sent to all local authority councillors and chief executives.*
- *Agreed that the Chairman and Vice-Chairman be mandated to deal with interim TNS matters arising between Board meetings.*

## **9. REVIEW OF THE OFFICE MOVE PROJECT**

The Director of Corporate Services presented a paper providing an update on the office move. The new office, Ocean Point, had been selected following guidance from the Minister and the negotiation of an improved financial package from the developer.

*The Board noted the report and, in particular, the following:*

- *It was a good result for the organisation and important that EventScotland would be located in the same building.*
- *The proposals for environmental management were commended.*

## **10. REVIEW OF IT PROJECT**

The Director of Corporate Services presented a paper on progress to date on the IT project. He reported that the new project manager and teams are in post. The Board noted the report and in particular the following:

*It was important to recognise the pace of change and take advantage of the opportunities for innovation and increased efficiency, especially in the context of the Tourism Network Scotland project.*

*Post 31<sup>st</sup> March 2005, there should be a regular Board update on longer term IT activity.*

## **11. VISITSCOTLAND RISK STRATEGY**

The Director of Corporate Services presented a paper providing an update on the review of the current VisitScotland risk strategy. Detailed risk registers have been prepared for individual projects and an overarching structure will be presented to the 3rd December 2004 Board meeting.

*The Board noted the report..*

## **12. EVENTSCOTLAND STRATEGY AWAY DAY**

The Chief Executive presented a paper reporting on the EventScotland Strategy Away Day, which focused on the role that EventScotland will play in implementing the Scottish

Executive's major Events Strategy 2003-15. There will be a Ministerial announcement and letter to the Board about the governance of EventScotland later this month.

*The Board noted the report..*

### **13. SCOTTISH VILLAGE**

The Director of Marketing introduced a paper seeking Board endorsement of the latest developments in the Scottish Village initiative. He outlined the main proposals, including the design, procurement process and details of the preferred supplier. The first event for the Village is likely to be Tartan Day 2005, in New York.

*The Board noted the report and endorsed the selection of the preferred supplier at the quoted cost..*

### **14. CONSUMER RESEARCH INTO FOOD QUALITY ASSURANCE**

On behalf of the Director of Industry Services, the Chief Executive presented a paper summarising the conclusions of consumer research undertaken to inform the design of the new food quality scheme. Together with other industry research, this research is being used to develop the framework and operational arrangements for the scheme.

*The Board noted the report.*

### **15. FINANCE REPORT**

The Director of Corporate Services presented a paper summarising VisitScotland's financial results for the 6 months to 30th September 2004.

*The Board noted the report.*

### **16. COMPETITIVE ENVIRONMENT**

The Chief Executive presented this report in a new format, providing an update on trends in Scotland and across the globe. The 3 part report comprises a) a summary of current market trends, b) competitor information, c) commentary on an issue of current significance for tourism, this month's commentary being on the impact of air travel on Scottish tourism.

*The Board noted the report.*

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

- Scottish Thistle Awards: the Chairman advised that he was unable to attend owing to a clash of dates and the Vice-Chairman would deputise. All other Board members confirmed their attendance. The Head of Communications will circulate a

list of MSPs who are attending and confirm the position with regard to the Secretary of State for Scotland. In 2006, we will invite some MSPs whose main interests are outwith tourism and continue this in future years on a rota basis.

- Board Meeting Dates in 2005: a list was circulated. Subsequent to the meeting, the January and October dates were changed and a revised schedule circulated.
- Pension Scheme: Alex Pagett in his capacity as a pension fund trustee reported on a recent trustees' meeting. A new IT system is to be introduced and VisitScotland will keep a watching brief on its introduction.

END