

Minutes of the first Annual General Meeting of Visit Jersey Limited (VJL)

The Gaspé Room, Banjo, Beresford Street, St Helier, Jersey

Tuesday 15th December 2015

Present:	John Henwood (JPH) – Chair
Doug Bannister (DB)	Keith Beecham (KB)
Tim Crowley (TC)	Mike Graham (MG)
Kevin Keen (KK)	Catherine Leech (CL)
David Seymour (DS)	Sam Watts (SW)
(the Directors)	
Philip Callow (PC)	
Pierre Horsfall (PH)	
Gerald Voisin (GV)	
(Trustees of The Visit Jersey Trust and Shareholders of the Company)	
Charles Clarke (CC) (the Enforcer of The Visit Jersey Trust)	
In Attendance	
Mike King (MK)	
Aimee Maskell, AM to PM Secretarial Services (Scribe)	
Darren Scott (DSC)	

1. OPENING OF MEETING

JPH welcomed everyone to the meeting. He noted that in accordance with the VJL's Memorandum and Articles of Association there is no requirement to hold an AGM however, for the purposes of good governance it was felt an AGM should be held.

It was agreed to appoint JPH as chairman of the meeting and he apologised for an omission to the agenda requesting that an additional item be added regarding directors' remuneration.

2. APOLOGIES There were no apologies.

3. CHAIRMAN'S STATEMENT

JPH made the following statement to the meeting: Visit Jersey Limited was incorporated on 26th September 2014 and, although it didn't take over from Jersey Tourism until 30th March this year, it is a matter of good governance that an AGM should be held within the calendar year after the year of incorporation.

Because we have been operational for less than 9 months we are not able to set out a financial report at this time. However, the chairman of the audit committee will provide an informal update on our financial position later in the meeting.

It is worth highlighting though that more than half the annual budget was spent or committed by the outgoing authority in the first 3 months of the year, before Visit Jersey was operational.

Jersey Tourism had given the Tourism Shadow Board (TSB) a presentation shortly prior to incorporation during which it was clear that the 2015 marketing campaign would follow a similar pattern to that of recent years. A request to hold back on certain areas of expenditure in order that Visit Jersey might deploy additional tactical marketing in 2015 was largely overlooked. The TSB's last act before incorporation was to commission some qualitative research on visitor sentiment through exit interviews; this was the first such research conducted since 2008.

At this time there was also a proposal that staff previously employed by Jersey Tourism who joined Visit Jersey should do so on protected terms and conditions.

So, your company came into being with a number of key issues to be resolved.

Immediately post-incorporation we began the search for a chief executive whilst work continued on the actions necessary for the transfer of funds from government – principally a broad strategic plan, a partnership agreement and personnel issues. I won't dwell on staff matters, which required the intervention of the Chief Minister before a resolution was achieved, but part of that resolution was that Visit Jersey would have to meet the cost from our initial grant of any redundancies declared among States of Jersey Tourism employees. By the end of the year we had agreed the appointment of Keith Beecham as chief executive. The board was delighted to have secured such an experienced tourism professional and was keen to involve him as much as possible in the recruitment process which, in a perfect world, he would have led.

This was a difficult period. Every Jersey Tourism employee was given the opportunity to apply for the positions we had determined upon and their responses ranged from enthusiasm to indifference. In the event, seven former Jersey Tourism staff joined us and they're all still with us, relishing the opportunity and performing well. A significant number of the Jersey Tourism establishment did not join the Company and, as it was important in the short term to provide continuity, the operation of the visitor centre was outsourced to Ports of Jersey. Whilst this has been a satisfactory arrangement we are presently thinking about the longer term.

I'll return to current issues shortly.

During the first quarter of this year, recruitment to fill the rest of the required posts was carried out with as much of Keith's input as could be managed; he was kept fully engaged at Visit Britain, but the board felt strongly that those appointed should be his team. Most appointments were achieved fairly quickly, with the last member joining in August. I should like to say a word about our people. They are a really energised and enthusiastic group of individuals, some new to the tourism sector, and Keith has welded them into a coherent force. I admire those who joined from Jersey Tourism, some of whom were put under pressure to have nothing to do with us. Together they are already making a significant difference.

The Board also addressed its own deficiencies and identified the need for a qualified finance person to head the audit committee and also a professional external perspective. After incorporation and prior to Keith taking up his appointment Kevin Keen agreed to be our interim chief executive – actually our only executive – and having done a great job it was natural we should turn to him to fill the former vacancy. Catherine Leech had been the international tourism expert brought in by the IoD to illuminate their debate on Finance, Digital and Tourism. Such was the force of her presentation that tourism captured the agenda. So, Catherine was a natural choice for the latter position. Shortly I shall invite you to re-appoint them both.

On board composition, Mike King, who was the Minister's appointee, was required to resign as a consequence of a change in government policy; Mike had been with us from the beginning and I am grateful for his contribution. Mike will stay in a modified, observer, role. Negotiation of minor details of the Partnership Agreement was soon resolved. An initial tranche of the budget was transferred and Keith took up his position on 30th March – or as soon after as Condor was eventually able to deliver him and his family to Jersey. If the direction of travel had been uphill to that point, since then, from the board's perspective the road has levelled. That does not mean the going has got easier, it is simply a reflection of the Board's confidence in the executive.

The Minister's request that there should be a business plan for the period 2015 to 2020 and an outline forward strategy by July was the early focus. The strategy, now more fully developed as the Jersey Destination Plan has been the subject of close and extensive consultation with the industry. Perhaps it is this purposeful development of a working relationship with the sector that best marks our approach to the job. Whilst we may never please all of the industry all of the time, it would appear that it is very largely supportive of Visit Jersey's new initiatives. And I think Keith's appointment in particular has meant that it has become politically difficult to dismiss tourism as of minor importance.

Last week we unveiled the plan for 2016 which was well received.

As our approach is to be fully accountable, we have key performance indicators relating both to the visitor economy and Visit Jersey's own performance.

Turning briefly to current issues, we have always known that we would have to leave the Liberation Place premises at the end of the first quarter of next year and we are presently looking for a new home with a number of options being considered. The Visitor Centre will also move. There is no doubt that the source of information is shifting from a physical point to a virtual one through advances in the use of mobile digital technology and we are sensitive to this and will not make long term plans for a bricks and mortar solution. We do however recognise the need to meet current expectations in this regard in the short to medium term. There will be news on this topic later this week and I'll ask Keith to provide a confidential update a little later.

In 1997, although the slow decline had begun, we had 985,000 visitors. It has been our view throughout that we can get back to a million visitors in a similar period. Such has been the initial impact of Visit Jersey that I am confident we will achieve that target sooner rather than later. Greater financial support from government would accelerate the process. However, it's not just about money. Although a growing industry will create wealth to benefit the whole community that growing industry will also need more employees; in time will need more accommodation; some existing properties will need to modernize and expand; there will be more rental cars looking for somewhere to park. Government must be prepared to respond to these and more challenges in a joined up way.

The TSB spoke of the need for a new deal for tourism.

In 1974 the Dutch were the sensation of the World Cup with a tactical approach called Total Football. In order for Jersey to achieve a more balanced economy we need a period of Total Tourism in which, rather as happened to the benefit of the finance industry in the 1970s and 80s, government support helps to beat a path to ultimate success.

4. APPOINTMENT OF DIRECTORS

JPH proposed the appointment of CL and KK as directors of VJL and their appointment was unanimously approved.

5. APPOINTMENT OF AUDITORS

As chairman of the Audit Committee KK advised that the Directors propose the appointment of Alex Picot as Auditor of VJL. In answer to a question from PH, he said their fee was £4,200 and that VJL has been working with them since incorporation. He added that they are a well-known local firm and are also the chosen auditors of Digital Jersey. The appointment of Alex Picot as Auditor of VJL was unanimously approved.

6. REMUNERATION OF THE AUDITORS

The Directors were authorized to fix the remuneration of the Auditors.

7. DIRECTORS' FEES

JPH advised that there are eight Non-Executive Directors of VJL, including the Chairman, and their fees in aggregate are £107k. He invited the meeting to support this level of remuneration and this was unanimously approved.

JPH reported that the Directors' fees have deliberately been set at the low end of the market rate for this type of role and, due to the fact that VJL is funded by government, he suggested that the fees would be likely to remain at a modest level. However, he proposed commissioning an independent review and recommendation next year to establish what the appropriate fee level should be.

8. ANY OTHER BUSINESS

It was noted that VJL's financial year ends on 30th December and therefore no formal accounts are available at this time. However, JPH proposed holding a further Annual General Meeting in the first half of 2016 to receive the report accounts for the period to 31st December 2016 when finalised. He invited KK to provide some commentary on the financial position.

KK summarised VJL's financial processes and current position. He said management accounts are outsourced to an accountant on a monthly basis using the Xero accounting system. An audit committee comprising DB, TC and KK has been established.

KK said that upon incorporation, £2.9m of VJL's 2015 budget was already committed by Jersey Tourism leaving a balance of £2.6m which has now been received from the States of Jersey. He noted that KB was required to take on the role of CEO on the basis that plans and financial commitments had already been made by Jersey Tourism for 2015. In addition, last minute negotiations were required with the States of Jersey in respect of the exiting Jersey Tourism staff. JPH thanked KB and KK for their engagement in this regard and he invited KB to provide an informal update on progress including that regarding the Visitor Centre.

KB reported that he has a very talented and passionate team at VJL and he believes they are well placed to take tourism forward, in partnership with other organisations on the Island. He advised that he was delighted to announce that VJL, Jersey Heritage and Ports of Jersey have formed a partnership to provide a Visitor Services Centre. This will be located at the Jersey Museum with the information being distributed by Ports of Jersey staff under the terms of a new Service Level Agreement.

KB advised that a two year contract has been entered into between the three organisations and he suggested that this was an appropriate time frame in light of the way in which digital and mobile technology was evolving. He explained that during this time VJL will research customer sentiment on the acquisition of information and adapt accordingly with the other organisations. In the meantime he expressed the hope that the Island will embrace the current solution and noted that it will result in the Museum being able to remain open throughout the year.

JPH said the arrangement was the result of close co-operation between VJL, Ports of Jersey and Jersey Heritage and thanked them for their work.

There being no further business the meeting was closed at 12.30. JPH thanked all present for their attendance and invited them to join him for lunch.