

**Minutes of a meeting of Visit Jersey Limited (“VJ”)**  
**Held at Visit Jersey, Commercial House, Commercial Street, St Helier, Jersey, on**  
**Wednesday 19<sup>th</sup> September 2018 at 9.30am**

<b>Present:</b>	Kevin Keen (KK) – Chair
Doug Bannister (DB)	Keith Beecham (KB)
Patrick Burke (PB)	Tim Crowley (TC)
Catherine Leech (CL).	Sam Watts (SW)
Amanda Wilmott (AW)	
(collectively referred to as the “Board” or the “Directors”)	
<b>In Attendance</b>	
Aimee Maskell, AM to PM Secretarial Services (Scribe)	
Darren Scott (DSc), Economic Development, Tourism, Sport and Culture Department (Observer)	

**1. APPOINTMENT OF DIRECTOR** – PB’s appointment as a Director of the Board was unanimously approved. **IT WAS NOTED** that it he would be required to step down at the next AGM and be formally appointed by the Shareholders. However, KK reported that he had advised the Shareholders and the Minister of his appointment, none of which expressed any issue with the same.

**2. APOLOGIES** –Apologies were noted from Mike Graham (MG).

**3. CONFLICTS OF INTEREST** – No new conflicts were noted. However, **IT WAS RESOLVED** that PB would complete a conflict of interest declaration form. **Action: PB**

KB advised that the Directors would be required to provide revised due diligence at the next Board meeting and **IT WAS RESOLVED** that he would provide them with details of exactly what was required in advance and arrange for Marc Couriard (MC) to attend for the purpose of certifying original documentation. **IT WAS FURTHER RESOLVED** to circulate conflict of interest declaration forms to the Board to enable any updates to be made. **Action: KB/Board**

**4. 2019 BUSINESS PLAN** – KB summarised the draft 2019 Business Plan, a copy of which had been circulated with the Board Pack. He noted that he had received feedback on the Business Plan from some of the Directors via email and that this had been captured in the latest draft. However, he sought the Board’s further guidance on the following three issues, noting that upon receipt of the same, the VJ team will be able to start working on specific plans and budgets which will be prepared jointly between Marketing, Trade and Product:

- (a) Confirmation that as well as being a destination marketing organisation, VJ is also moving towards becoming a destination leadership organisation (DLO);
- (b) Clarification of direct (e.g. running specific campaigns) and indirect (e.g. influencing others to do what it believes is appropriate to generate long-term growth) targets / metrics and how they should be reported (e.g. as currently reported or revised to link them to outcomes); and
- (c) Guidance on what further projects should be undertaken, such as route development, a Liberation 75 product development and a Brexit reassurance campaign outside of the activities planned within the estimated £4.9m grant for 2019.

A lengthy discussion took place and the Directors provided their detailed feedback. This included a discussion around the German market and KB reported that VJ currently works directly with tour operators supporting their marketing programmes and does not undertake any solo direct B to C marketing. He stressed that this was the most effective way of marketing Jersey, noting that there was no evidence to suggest that solo direct consumer marketing via radio and newspaper adverts

previously undertaken was successful. However, he reassured the Board that direct consumer marketing does still take place via VJ's own channels (e.g. a German facebook page and website).

Targets were discussed, and it was agreed that these should be identified for individual markets such as Germany and France. Also noted that some tour operators have reported challenges obtaining appropriately priced room rates during the high season.

The importance of developing Trade was noted, in particular VJ's intention to grow new markets and work with new operators. Referring again to the German market, it was agreed that whilst it is quite difficult to progress, more consideration should be given to the Channel Island opportunity as German visitors recognise the Channel Islands rather than the individual Islands. KB advised that the tourist boards of both islands currently agree a number of risk-share agreements with charters operators from Germany and cooperate at trade events in Germany. However, to significantly increase this pan-island business, improvements will need to be made to the inter-Islands connectivity.

The Board agreed that inter-Island connectivity remained a challenge and KB suggested that **as** VJ takes on the role of a DLO it will need to encourage better inter-Island connectivity, noting that this will also support other market opportunities (e.g. UK and Guernsey). However, he advised that whilst he was not overly concerned about being able to create demand, he was concerned about being able to service it. He therefore stressed the importance of the three "pillars" of VJ working well together to achieve success and the Business Plan reflecting this accordingly.

A brief discussion took place around VJ's relationship with Visit Guernsey (VG) and KB reported that VG representatives are due to in Jersey shortly with a view to re-visiting the Channel Island approach. However, KB expressed concern that due to their structure/ownership VG are limited by the States of Guernsey and therefore do not have the same freedom to operate as VJ. With this in mind, KK suggested that VJ should lead on a proposal to stimulate the German market and present the same to the Visit Guernsey and this was welcomed by the Board who agreed that it would provide the German market with confidence in the Islands.

Consideration was given to reallocating the budget for French day trippers into the German speaking market on the basis that French day trippers were likely to visit Jersey in any event. However, DB suggested that more work could be done with in France to promote Jersey, such as with the Trade and Student Unions who provide information to their members. The Board acknowledged that the French market was often an impulse purchase rather than an arranged holiday and **IT WAS NOTED** that a meeting has been scheduled between VJ and Condor France to discuss the staying French leisure market as it is believed there is potential growth in this area. French staying school visits potentially offer another opportunity, and this will be discussed with Condor.

Comparisons were made between the potential opportunities in terms of bed nights and spend from the German and French markets and CL suggested that there was greater potential for growth from Germany. However, DB noted that there was a significant amount of capacity on the ferry between France and Jersey. Therefore, if day trippers were persuaded to stay a couple of nights, this could lead to considerable growth.

KB reported that Condor have their own Tour Company in France with whom VJ do work with in addition with the PR it undertakes in France. More can be done to encourage day trippers to return for a longer stay on another occasion. However, he noted that France only accounts for 7% of overall spend and 6% of nights and suggested that similar growth could be seen from the development of another air route.

Measurements were discussed, and SW stressed the importance of having "shared ownable targets" which will motivate the industry to buy into new markets. She acknowledged that she was unsure how to present this in the Business Plan, noting that the current format does not make

it clear whether VJ is on track to meet its targets or how stakeholders can provide their support in meeting them. **IT WAS THEREFORE RESOLVED** that whilst KB should refer to exciting “shared ownable targets” in the Business Plan, these should be expanded upon in more detail in the revised Jersey Destination Plan (JDP). **Action: KB**

Consideration was given to how VJ can become more commercial if States funding is reduced. It was agreed that whilst there was benefit in running campaigns without the requirement to include adverts, VJ’s commercial aspirations may need to be considered further going forward. KB acknowledged that although VJ could alter its operating model in order to generate more income, this would need to be agreed by the Board and the industry. However, he expressed concern that in his experience when a tourist boards increases its self-generated income, their government funding reduces. He added that this change in operating model would also result in VJ being driven by which partners pay the most money as opposed to what the visitor economy wants. VJ’s ability to include individuals and/or businesses in their marketing campaigns on merit and not because of any financial gain was acknowledged by SW. However, she stressed the importance of VJ considering future income generation. This was echoed by KK who suggested that going forward VJ is bound to be compared with organisations such as Jersey Finance Limited (JFL) whose States grant is £5m and self-generated income is £600k compared to VJ’s £4.9m grant and £25k self-generated income, albeit that it was accepted that stakeholders in the tourism industry are unable to provide as much funding towards VJ as stakeholders in the finance industry provide towards JFL.

The Board agreed that VJ must consider whether it is being as commercial as it can be in the current climate and consideration was given to introducing a fee for bookings made via Jersey.com. **IT WAS NOTED** that hotels pay around 20% fee to Booking.com and whilst VJ could undercut this fee, say to 5%, considerable work would be required to encourage potential visitors to book via Jersey.com instead of Booking.com. It was, however, agreed that whilst there were some concerns from industry around VJ at the outset, there is now more goodwill around VJ and therefore it at an appropriate time we might return to discuss the potential introduction of fees in this regard.

The way in which VJ’s measurements are reported were discussed and KB drew the Board’s attention to pages 9 and 10 of the draft Business Plan, which sets out two options: 1) the existing method of reporting; and 2) a method whereby the visitor economy and VJ’s performance is reported. Referring to the second option, KB advised that this identifies targets which VJ is “directly accountable” for and those which it “seeks to influence”. TC expressed concern that this approach was too similar to that adopted by Jersey Tourism and whilst he welcomed VJ becoming a DLO, he suggested until the new staff have settled in, this should not be announced publicly. This was echoed by KK, however, he noted that it is proposed that KB will consult with industry on revising the Jersey Destination Plan (JDP) prior to its launch in December at the Stakeholders event by which time the new staff will have had an opportunity to settle in. He added that an announcement regarding the leadership approach together with a new aspirational vision should re-excite industry.

KB explained that Business Plan was a “bidding” document which VJ was required to submit to the States to show targets and plans to help secure funding. The discussions from the Away Day regarding VJ becoming a DLO will be reflected in the revised JDP. DS added that the JDP must be a shared endeavor between VJ and the States with the States taking some of the responsibility.

Referring to the methods of reporting, AW suggested that option 2 was much clearer. However, she expressed concern that by changing the formatting, may appear that VJ is trying to hide results. The Board acknowledged AW’s concern but agreed that that option 2 was the preferred reporting method. However, **IT WAS RESOLVED** that KB would add an extra column to option 2 to show a comparison from the previous measurements together with a comparison against the overall targets. **Action: KB**

Key measurements were discussed and **IT WAS RESOLVED** to include the following in section 3 of the Business Plan: **Action: KB**

- Total number of visitors (target – 1m visitors by 2030 to remain)
- Length of stay/bed nights
- Percentage of new holiday visitors or repeat holiday visitors
- Total visitor spend
- REVPAR
- Net Promotor Score (NPS)
- GVA for hospitality sector (target to be reviewed every two years)
- Seasonal Spread (i.e. outside of July, August and September)

The Board accepted that VJ cannot move away from the previous target set of 1m visitors by 2030. However, going forward it should look to be more insightful. DS added that conversations are due to be had within government about outsourcing statistics work to the States Statistics Unit to ensure the measurements of VJ are seen to be independent. KK queried whether visitor "days" should also be included as a metric and **IT WAS RESOLVED** that KB would discuss this suggestion with David Edwards (DE). **Action: KB**

**IT WAS NOTED** that the budget will require finalising prior to submitting the Business Plan and it was suggested that some departments may require additional funding (e.g. the Tourism Information Centre and Marketing) and others could be reduced (e.g. Research). KB noted that much of the Research budget relates to fixed costs such as £146k for the Exit Survey. It was therefore suggested that consideration could be given to looking at the frequency of some of the research projects in order to reduce cost.

DB referred to the previous infographic prepared by VJ and suggested that this be revisited to show the States what benefits come from the funding it provides to tourism. He also suggested that referrals to other Jersey sectors and the importance of collaboration with Guernsey are highlighted in the Business Plan. However, whilst KB supported updating the infographic, he reiterated that the Business Plan was a government document with standard formatting. This was echoed by DS who explained that the Business Plan is required by government to justify the funding it receives. However, whilst he accepted that the format of the Business Plan was suitable for this purpose now, he noted that the process of submitting Business Plans and funding ALOs may be amended going forward whereby funding will be assessed "in the round" rather than based on what was received the previous year.

The timeline for submitting the Business Plan was discussed and DS advised that this needs to be submitted by the end of September. However, as the MTFP has already been presented for 2017, 2018 and 2019 to include an indicative budget for VJ of £4.9m, the Business Plan should pitch for that amount or more.

The Directors agreed to provide KB with any further comments by next Monday 24<sup>th</sup> September 2018 and **IT WAS RESOLVED** that KB update the Business Plan with a view to submitting the Business Plan to Sean Pritchard by the deadline of 1<sup>st</sup> October 2018.

**5. STAKEHOLDERS' MEETING – IT WAS NOTED** that the Stakeholder meeting would take place on 11<sup>th</sup> December 2018 and the Minister had been invited.

**6. JDP REFRESH – IT WAS NOTED** that the Directors comments on the JDP had been provided via email and also as part of the discussion in item 4 above. A brief discussion took place regarding the format of the refreshed JDP and KB advised that whilst this was still to be discussed he anticipated it being a briefer version of the original and SW suggested that consideration should also be given to preparing a one page summary document.

**7. AUDIT COMMITTEE UPDATE –** TC advised that following concerns regarding the marketing budget during the first half of the year, the Audit Committee met to review the same.

The Board noted a paper prepared by KB summarising the situation, findings and suggested resolutions (a copy of which was circulated with the Board pack) and TC reassured the Board that the Audit Committee did not have any significant concerns in this regard.

**IT WAS NOTED** that the marketing budget was showing a negative variance of £202,319 in June. £100k of VJ's reserves were therefore allocated to the same and KB advised that the Senior Management Team (SMT) met the previous day together with MC to review budgets at the end of August and no concerns were raised by any cost centre managers. He therefore anticipates being within budget expectations at year end.

TC advised that the Audit Committee also reviewed the current VJ credit card process, noting that these are used to purchase media to support marketing campaigns. He reported that a new credit card process has been implemented whereby VJ will transfer to HSBC's MiVision platform and have an overall credit card limit of £44k with the ability to set and alter individual credit card limits within that amount. SW welcomed the revised process. However, she noted that she often pays for Facebook costs via Paypal and therefore suggested that this could be considered as an alternative option to credit cards if required.

Finally, TC noted that the purchase order system has now been in operation for a full quarter.

**8. 2018 VISITOR ECONOMY FORECAST** – The Board noted KB's memo dated 11<sup>th</sup> September 2018 which provided a helpful update on the 2018 Forecasts which had been prepared based on July figures and circulated as part of the Board pack. KB advised that the figures had been worked out by DE up to July and stressed that they were only a forecast and, depending on the results in the last five months of the year, may not come to fruition.

**IT WAS NOTED** that forecasted overnight holiday visits was 419k which is down against a 2018 Business Plan and Partnership Agreement target of 429k but up against the 2015 JDP target of 372k. However forecasted visitor spend was forecasted at £262m which was up against a 2018 Business Plan and Partnership target of £256m but down against a 2015 JDP target of £281m and forecasted REVPAR was up at £75 against a 2018 Business Plan and Partnership Agreement target of £73 and level with the 2015 JDP target of £75.

**IT WAS NOTED** that figures from STR indicate that average daily room rates in Jersey have risen by just over 1% and in answer to a question from CL, KB confirmed that further was data available to support this, albeit not to hand. DB advised that passengers through the harbours were 3% down year to date (mainly from France) whereas the airport was nearly 4% up. However, TC suggested that visitors from France are mainly day trippers and therefore do not impact hotel nights or spend.

The Board accepted that the 2030 ambition of 1m visitors may not be met and consideration was given to whether any action should take in this regard or whether this target should be re-visited. KB advised that in order to reach the target of 1m visitors by 2030, Jersey will need to see about 2.2% annual compound growth. By way of comparison, he noted that Western Europe is currently tracking a 2.6% annual compound growth and he therefore suggested what whilst 2.2% is doable, a number of things will need to happen to achieve it. He advised that the JDP refers to four drivers (access, markets and segments, image and visitor experiences) and stressed the importance of focusing on articulating Jersey's story rather than amending its ambition.

**IT WAS NOTED** that VJ is broadly on track to meet the £1/2bn spend target by 2030 and but off-track to meet the 1m visitor ambition. In response to the latter, it was agreed to put forward initiatives which will help "close the gap". With this in mind, DB proposed placing numbers against the additional projects detailed in the Business Plan, noting that whilst further investment may be required for them, they will lead to more visitors. However, DS suggested that this would be contrary to what VJ originally agreed. That said, he accepted that it was a shared endeavor and therefore all stakeholders must take action to rectify the position, not just VJ.

CL noted that despite website visits and referrals to suppliers growing substantially, this has not converted into visits and she stressed the importance of investigating this, particularly when a significant amount of VJ's spend was on digital marketing. The Board accepted that whilst a supplier being unable to convert a referral was not VJ's responsibility, additional consideration may need to be given to VJ providing some education to accommodation providers and tour operators to help them with their marketing to ensure there is continuity of the "brand journey".

DB reported that statistics from Ports of Jersey (POJ) indicate that for the year to date there has been an increase of 20k passengers through the Ports. He suggested that even if this position remains static it would represent a 1.1% growth. Therefore, unless locals are travelling more he would expect to see growth in VJ's figures. **IT WAS THEREFORE RESOLVED** that KB and DB would arrange for DE and Paul Holley from POJ to have a discussion around forecasts. **Action: KB/DB**

The Board noted that VJ is above target for the measurements where it is solely responsible and it was therefore agreed that the Stakeholder meeting would provide a good opportunity to gain support from industry to meet all targets and to highlight that "*the whole is greater than the sum of its parts*". With this mind it was proposed to ask each attendee at the Stakeholder meeting to write down one action which they can take to help meet the 1m visitor ambition to emphasize the benefit of a joint approach. **Action: KB/KK**

**IT WAS NOTED** that the August figures will be available by mid-October and **IT WAS THEREFORE RESOLVED** to provide the Minister with an update at that stage on the basis that anecdotally August has been a very positive month. **Action: KB/KK**

**9. TRADE STRATEGY – IT WAS NOTED** that the Trade Strategy was circulated at the Away Day in July and a further copy had been circulated with the Board pack. The Strategy was welcomed by the Board. However, it was agreed that this now needs to be translated into action planning with actions prioritised accordingly and that actions should link into the overall aim of VJ and highlight how any action taken within the Trade Strategy will lead to improving targets. **IT WAS THEREFORE RESOLVED** that KB would arrange a meeting of the SMT to determine each department's contribution to the overall aim of VJ and establish hard metrics for individual markets (e.g. UK, global, Germany) which can fit into the overall plan and be worked on jointly by every department. Thereafter he would arrange for quarterly updates from each department on the joint plan to be provided to the Board. **Action: KB**

**10. STAFFING UPDATE –** KB provided a staffing update, full details of which were included in item 4.3 of his CEO report.

The proposed restructuring of the Marketing Team was briefly discussed and **IT WAS RESOLVED** that KB would invite Louise Ashworth to present a proposal on the same to him initially and thereafter to the Board at the December Board Meeting. **Action: KB**

**IT WAS NOTED** that all senior staff were now on three months' notice and their contracts had been amended accordingly.

**11. NED APPOINTMENT –** KK welcomed the appointment of PB but expressed disappointment that DB would be resigning from the Board at the end of the year in advance of his move to the UK. **IT WAS RESOLVED** to leave DB's position open. **Action: KK**

**12. CEO REPORT –** The Board reviewed KB's CEO Report and the following items were discussed:

- (a) Digital Tourism Think Tank – KB reported that the Digital Tourism Think Tank workshop on 10<sup>th</sup> September 2018 went very well and advised that details from this event will be fed back to the Product Action Group (PAG) meeting in October. TB noted that he had not yet received an invite for the October PAG meeting and KB agreed to ensure this was circulated as soon as possible.

**Action: KB**

(b) Sharepoint – DS noted that there was a disconnect between what documents were and what they were saved as in Sharepoint and KB agreed to rectify this going forward. **IT WAS NOTED** that board members accessed through different means- Office 365, goggle, etc. and there was confusion and difficulty in accessing materials. **IT WAS THEREFORE RESOLVED** that KB would look for board members to be issued with VJ email address, subject to costs, as a possible solution to access issues in the future. **Action: KB**

**13. RISK REGISTER** – The Board noted the Risk Register, a copy of which had been circulated with the Board pack and **IT WAS NOTED** that the following two items had been upgraded to “red”:

- (a) Loss of Key staff; and
- (b) External Factors (e.g. Brexit and currency, recession etc.)

Referring to (a), **IT WAS RESOLVED** to amend this to loss of “senior” staff. **Action: KB**

**14. FORWARD BOARD MEETINGS CALENDAR** – The Board reviewed the forward board meetings calendar, a copy of which was circulated with the Board pack. **IT WAS NOTED** that the remaining meetings for 2018 were 17<sup>th</sup> October (930am) and 12<sup>th</sup> December (930am) and provisional meetings had been scheduled for 2019. **IT WAS NOTED** that the February and April 2019 dates fell within school holidays. **IT WAS THEREFORE RESOLVED** that KB would circulate some alternative dates and the Directors would advise him of their availability accordingly. **Action: ALL**

**15. AOB**

(a) **Provision of Emergency Accommodation** - DS reported that on the evening of Battle Flowers, over 200 people were stranded on the Island due to cancelled flights and ferries. He noted that POJ identified very early on that there was going to be an issue and planned to put them up in emergency accommodation in the Elizabeth Terminal with support from their business partners Swissport, Condor and Casual Dining. He accepted that whilst this was not ideal for a visitors’ last day of their holiday and that POJ received praise and criticism for doing it, the provision of accommodation is not POJ’s responsibility. KB congratulated DB and the POJ team for their assistance in this regard and noted that it was a situation which could have resulted in bad PR for the Island but ended up being positive. However, DB reported that the Minister has received correspondence on the matter on the basis that responsibility for providing emergency accommodation used to rest with Jersey Tourism and this fell away when VJ was incorporated, albeit that the last time it happened was over 20 years ago.

(b) **POJ Forecasts** - **IT WAS NOTED** that the POJ are forecasting a growth of 3% at the Airport in 2018. DB advised that this is the fifth year of growth and represents the longest period of sustained growth since 1968 to 1973.

(c) **Brexit Campaign** – SW sought clarification of the proposed Brexit Campaign (referred to in the Business Plan) and KB explained that it was a tactical campaign. He accepted that no one knows what will happen post-Brexit. However, VJ wants to ensure it is able to respond quickly to whatever does happen which will require appropriate funding.

(d) **Pre-Board Meeting Dinner 16<sup>th</sup> October 2018** – **IT WAS RESOLVED** to hold an informal event with the VJ team rather than a formal dinner with guests on 16<sup>th</sup> October 2018. **Action: KB**

**16. APPROVAL OF PREVIOUS MINUTES** – The Board reviewed the minutes dated 18<sup>th</sup> July 2018 and 16<sup>th</sup> May 2018, copies of which were circulated with the Board pack and **IT WAS RESOLVED** to approve them subject to a minor amendment to the minutes dated 18<sup>th</sup> July 2018. **Action: KK/KB**

**17. DATE OF NEXT MEETING** – **IT WAS NOTED** that the next meeting was scheduled for

17<sup>th</sup> October 2018 at 9.30am at VJ's Office.

Actions:

- 1) PB to complete a conflicts of interest declaration form
- 2) KB to provide details of what KYC is required from Directors in advance of the next meeting
- 3) KB to circulate conflicts of interest declaration form to Directors for annual update
- 4) KB to arrange for MC to attend October meeting for purpose of certificate KYC documentation
- 5) KB to refer to exciting "shared ownable targets" in the Business Plan and expand on these in more detail in the refreshed JDP
- 6) KB to update the business plan to include measurements noted above and use option to report methodology plus an additional column to show a comparison from the previous measures together with a comparison against the overall targets
- 7) KB to discuss with DE whether visitor "days" should be included as a metric in the Business Plan
- 8) DB/KB to arrange for DE and Paul Holley to discuss forecasts/statistics at VJ/POJ
- 9) KK/KB ask each attendee at the Stakeholder meeting to write down one action which they can take to help improve the current position to emphasise the benefit of a joint approach
- 10) KK/KB to provide the Minister with an update on forecasts after mid-October when August results known
- 11) KB to arrange a meeting of the SMT to determine each department's contribution to the overall aim of VJ and establish hard metrics for individual markets (e.g. UK, global, Germany) which can fit into the overall plan and be worked on jointly by every department. Thereafter arrange quarterly updates to be provided from each department on the joint plan to the Board.
- 12) KB to invite Louise Ashworth to present him (and thereafter the Board) with a revised proposal on the restructure of the Marketing team at the December board meeting
- 13) KK to revisit DB's position pending appointment of his replacement at POJ
- 14) KB to ensure invite to October PAG meeting is circulated asap
- 15) Amend risk register to loss of "senior" staff
- 16) KB to provide revised 2019 meeting dates and Directors to respond with availability
- 17) KB to arrange an informal evening with the Board and VJ team on 16<sup>th</sup> October 2018
- 18) KK/KB to amend the previous minutes dated 18<sup>th</sup> July 2018 (4pm not 4am)
- 19) KB to investigate for Directors to have VJ emails to enable access to Office 365