

ANNEX A

Governance Changes to VisitEngland and VisitBritain

1. Introduction

As part of the 2015 Comprehensive Spending Review, DCMS announced three tourism-related outcomes:

1. That funding for VisitBritain and VisitEngland will be maintained at the current level for the next four years (flat cash settlement)
2. That a new £40m Discover England fund is to be established to boost product development
3. That VisitEngland will no longer be formally separated from VisitBritain. Instead, the Government has decided to clarify governance arrangements within the existing British Tourist Authority Framework.

2. What are the existing governance arrangements?

The British Tourist Authority (BTA) is the legal entity established under the Development of Tourism Act 1969 with responsibility for tourism in Great Britain. Since 2003, the Government has only funded the BTA, which is accountable for all British and English activity. The BTA trades as VisitBritain and VisitEngland.

The English Tourist Board, established under the same Act, has not been directly funded since 2003 (when it was reclassified as an advisory NDPB) and it employs no staff.

BTA staff engaged on GB wide activity operate under the trading name, VisitBritain (VB), while BTA staff engaged on England activity operate under the trading name, VisitEngland (VE)

In anticipation of the separation of VisitEngland and VisitBritain, BTA staff engaged on England activity have been reporting into the Visit England Board, and taking direction from it. BTA direct day to day oversight (via for instance, its Accounting Officer) has been light touch.

3. Why has the Government taken this decision?

Ministers considered the roles and responsibilities of VisitBritain and VisitEngland, as part of the DCMS Select Committee inquiry into tourism. Over the course of that inquiry, they heard that destinations and tourism businesses were confused about who to speak to about what. The Triennial Review also heard that "tensions, disagreements and competition applied to the relationship between VB and VE". It was not always clear which organisation was responsible for what aspects of development and marketing and overlaps in functions were causing duplication of effort and waste of resources.

Both the Select Committee and the Triennial review recognised the importance of clearer delineation in the roles of VisitBritain and VisitEngland, with the Triennial review recommending complete separation. It recommended that VisitEngland focus on the development of the English tourism product, and VisitBritain focus on international promotion.

However, the Triennial also recognised the vital importance of collaboration - a point which has since been further underlined through the experience of administering the funds to grow tourism in the North and the South West. As a result, the Government now believes the best way of extending the reach and impact of England and Britain activity is by clarifying roles and delineating activity within the British Tourist Authority. This has the added benefit of enabling the potentially significant costs associated with separation to instead be invested in activity to boost the visitor economy.

4. Key Aspects of the Governance Changes

- 1) DCMS sets the overarching strategy and high-level objectives for the development of British and English tourism, in consultation with colleagues in other government departments, and the Scottish and Welsh Governments, through the new inter-Ministerial group on Tourism. The discussions of the inter-Ministerial group are informed by the re-vamped tourism council and the new Business Visits and Events Board.
- 2) DCMS allocates ring-fenced budgets for Britain and England activity. This will fund dedicated contact points for England matters and liaison with English destinations, as well as dedicated contact points for Britain matters and liaison with the nations.
- 3) VisitBritain will develop a high-level marketing plan, in consultation with VisitScotland and VisitWales, which will set out how it will achieve its objectives, within its budget allocation. The high-level marketing plan will be signed off by Tracey Crouch, the Tourism Minister, after discussion with her counterparts in the Scottish and Welsh Governments.
- 4) The VisitEngland Board will advise on the development of an England action plan setting out how it will support delivery of the Government's objectives, within its budget allocation. The plan will be signed off by Tracey Crouch, the Tourism Minister.
- 5) The new 'Discover England' fund will be for product development - the primary purpose of which is to make it easier for inbound visitors to explore England. However, it will also help to support domestic tourism, by incentivising collaboration across the English tourism landscape, and improving the quality of the English offer. DCMS and the BTA will be consulting with English destinations on the operation of the 'Discover England' fund, early in the New Year.
- 6) The BTA Board continues to be accountable for the delivery of the Government's objectives for growing English and British tourism. Sensitive England matters in connection to the implementation of the England action plan will be discussed immediately prior to the full BTA Board meeting. The Chairs of VisitWales and VisitScotland will not be present for those discussions, and a member of the VisitEngland Board will be invited to join the Chair of VisitEngland.