

Minutes

Present: Clare Morrow (Chair)
Gazala Akbar
Cllr Andrew Waller
Elaine Bedford
Colin Brown
Mike Firth
David Lascelles
Professor Rhodri Thomas
Linda Pollard
Gary Verity

Also Present: Zoe Wilde
Simon Charters

Apologies: Cllr Arthur Barker
Dirk Mischendal
Neil Pakey
Jan Anderson

1. BRIDLINGTON MARINA & TOWN DEVELOPMENT PRESENTATION BY EAST RIDING OF YORKSHIRE COUNCIL:

Board members were given a guided tour of the harbour and parts of the town centre to be redeveloped. This was followed by a presentation by John Lister, Head of Bridlington Renaissance, and Alan Menzies, Director of Planning and Economic Regeneration, who outlined the authority's plans for a marina and hotel development and other regeneration plans for the resort.

The Board agreed to publicly support the plans and ERYC were asked to feed appropriate opportunities to do so back to Gary Verity.

Consideration will also be given to introducing a public realm category in the White Rose Awards.
Action: Gary Verity

2. MINUTES OF THE LAST MEETING (26 MAY 2009):

2.1 Resolved: That the minutes of the board meeting held on 26 May 2009 be approved as a correct record and signed by the Chairman.

2.2 Matters Arising:

i) Sustainability: With reference to minute 2.2ii) the Sustainability Group had met and were recommending that the Business Engagement Executives lead on activity to encourage businesses to take up environmental best practices including the Green Tourism Business Scheme. Content would be developed on the website to support this including a carbon footprint calculator.

It was agreed that a strategy be brought back to the September board together with a proposed timeline for a launch event. *Action: Rhodri Thomas*

ii) Themes: With reference to minute 3.1iii) a ninth theme – Festivals & Shows – was to be added to the eight already being promoted via the web, campaigns and events.

iii) Future Discussion Items: Further to minute 7, it was agreed that the following be discussed by the board:

- Where the strategic role for tourism should sit
- Taking Yorkshire to London
- Where technology is heading and how the industry can make the best use of it

3. MANAGEMENT REPORTS:

3.1 Activity Report:

- i) Statistics: Gary Verity is looking to approach the top attractions in the region with the most accurate data to share weekly business figures.
- ii) Great Yorkshire Show: Welcome To Yorkshire's stand attracted some 7,500 people over the three days of the show, with a further 600 invited guests attending the three breakfast, lunch and BBQ events. The Clipper yacht was a tremendous success, attracting 6,000 to visit the yacht and around £3 million in PR coverage.
- iii) Ashes Test Match – Headingley: Welcome To Yorkshire is sponsoring this event and will be helping to staff the main gateways around the city to welcome visitors. A ticket package has been negotiated with YCCC across the opening two days of the match (7/8 August).
- iv) Press & PR: £2.3 million of press coverage was achieved in June, with a PR value of £8 million.

Resolved: That the activity report be noted.

3.2 Regional Tourism Programme Exceptions Report:

Linda Pollard requested a traffic light reporting system which showed Yorkshire Forward how the company was delivering against its targets. Clare Morrow advised that monitoring would not be comprehensive until all ATP contracts were in place but agreed to look at how this reporting could be made simpler. *Action: Clare Morrow*

Resolved: That the Regional Tourism programme exceptions report be noted.

3.3 Board Network Review:

Contracts had now been signed with Visit York, West Yorkshire, Moors & Coast and the Dales & Harrogate tourism partnerships and were about to be signed with VHEY and Yorkshire South Tourism. Interviews had taken place for the appointment of a CEO for West Yorkshire and an offer made.

Resolved: That the Board Network Review be noted.

3.4 Local Authority Engagement:

Resolved: That the local authority engagement report be noted.

3.5 Risk Register:

Resolved: That the risk register be noted.

3.6 Financial Update:

- i) Management accounts to 30 June 2009: Further to minute 4i) of the last meeting, when a deficit of £152,000 was reported as at 30 April 2009, the management accounts to 30 June 2009 showed that this had reduced to a deficit of £129,815 as at 30 June 2009.
- ii) Regional Tourism Project: The principle expenditure during the period occurred within the domestic, leisure and group travel project (£509,000) on the regional marketing campaign, Y09 (£50,000) and network operations (£120,000) which are one-off costs relating to the office relocation and redundancy payments.
- iii) Yorkshire Gold: All activity on target.
- iv) England's North Country: The deficit of £4,000 recorded in April had been recovered.
- v) Balance Sheet: As at 30 June 2009, debts over 60 days amounted to £218,000. Other debtors, prepayments and accrued income totalled £1,343,000.
- vi) Pension & Life Assurance: Further to minute 4.viii) of the last meeting, quotations have been received for a stakeholder pension scheme and life assurance for new employees and these were currently being assessed.
- vii) VAT: The recovery of VAT incurred on marketing activity in Spain was discussed and board members agreed to grant power of attorney to Arca, agents of Meridian VAT consultants, to act on behalf of Welcome To Yorkshire in this matter.

Resolved: That power of attorney be granted to to Arca, agents of Meridian VAT consultants, to act on behalf of Welcome To Yorkshire in the matter of VAT recovery overseas.

That the finance update and management accounts as at 30 June 2009 be approved.

4. ANNUAL ACCOUNTS AS AT 31 MARCH 2009:

Guy Ward of Barron & Barron, York presented the financial statements for the year ended 31 March 2009, for formal approval by the Board, as required by Company Law. Minor grammatical changes to the Directors' Report were agreed.

The income and expenditure account showed an operating surplus on ordinary activities for the year, after taxation, of £249,787. The turnover for the year, together with other operating income, totalled £8,540,637; an increase from £6,097,442 in 2008.

Attention was drawn to the drop in valuation on the property (312 Tadcaster Road, York) to £800,000 and the increase in pension liability by £302,000 which meant an overall decrease in net assets to £1,184,199.

The Board had previously agreed not to sell the property in York and had taken steps (as reported at the last board meeting) to mitigate its pension liabilities. Whilst directors were reminded that Welcome To Yorkshire was a non-profit making organisation and, as such, not looking to increase its net assets, there was discussion on whether the company should have a strategy for increasing profits to manage the net asset situation and whether to consider the sale of the property to reduce its pension liability. Directors were made aware of the possibility of corporation tax on any separate marketing or trading activity and to build this into any budgets going forward. It was agreed this be discussed at a future board meeting. *Action: Clare Morrow*

Simon Charters and the finance team were thanked by the board for their efforts towards securing a clean audit through a period of great transition.

Resolved: That the financial statements for the year ended 31 March 2009 be approved and signed by the Chairman and Vice-Chairman and recommended for adoption at the Annual General Meeting.

5. GOVERNANCE ISSUES:

5.1 **Board Terms of Reference¹:** Amendments were suggested to the draft terms of reference and Clare Morrow agreed to re-circulate these by email for final approval. *Action: Clare Morrow*

5.2 **Audit Committee Terms of Reference²:** It was agreed that Arthur Barker would chair the Audit Committee which would also include Colin Brown and Jan Anderson.

5.3 **Remuneration & Staffing Committee³:** It was agreed that Mike Firth would chair the Remuneration and Staffing Committee which would also include Gazala Akbar and Elaine Bedford.

5.4 **Ethics Committee⁴:** It was agreed that Arthur Barker and David Lascelles be appointed to the Ethics Committee. Clare Morrow was sourcing an external chair for this committee. *Action: Clare Morrow*

5.5 **Nominations Committee⁵:** It was agreed that the Nominations Committee should consist of four members: Chairman (Clare Morrow) plus a board representative from the main external funder (currently this would be Linda Pollard from Yorkshire Forward) and two other NEDs appointed from time to time, by the Chair, as necessary. It was also agreed that any appointments panel could include other external representatives. *Action: Clare Morrow*

5.2 **Board Performance Review:** A copy of an evaluation form was circulated for information.

6. DISCUSSION ITEMS:

6.1 Major Events Update:

Further to minute 6.2 of the last meeting when delegated authority was given to Clare Morrow and Gary Verity to finalise the transfer of the Major Events contract from Yorkshire Forward, the board was made aware of significant changes regarding the transfer and asked to discuss the benefits and risks. Since the last meeting, the unallocated resource had fallen to £363,477 per year for four years. There was discussion around potential redundancy costs of up to £250,000 but it was understood that the likelihood was that staff would be redeployed.

Resolved: It was agreed that Welcome To Yorkshire would accept the contract for Major Events.

7. ANY OTHER BUSINESS:

7.1 **Swine Flu:** Gary Verity outlined the scenarios over the coming months and how Welcome To Yorkshire's marketing campaign could respond to these. Welcome To Yorkshire would ensure that any advice to the industry would mirror that from VisitBritain, VisitEngland and the Tourism Alliance.

¹ A copy of the Board TOR is attached as Appendix 1

² A copy of the Audit Committee TOR is attached as Appendix 2

³ A copy of the Remuneration & Staffing Committee TOR is attached as Appendix 3

⁴ A copy of the Ethics Committee TOR is attached as Appendix 4

⁵ A copy of the Nominations Committee TOR is attached as Appendix 5

Gary Verity agreed to update directors on all developments. *Action: Gary Verity*

7.2 Hull City Football Club: Welcome to Yorkshire would be sponsoring Hull – the region’s only premier league club – for the 2009-2010 season.

7.3 Yorkshire Day: Board members were asked to promote this as much as possible.

7.4 Marketing Director: Board members wished to express their thanks and appreciation to Joanna Royle for her achievements and services to the company. Joanna left the company on 17 July.

8. DATE OF NEXT MEETING:

The next meeting will be on Monday, 28 September 2009 – venue to be confirmed.

Appendices 1-5

Board Terms of Reference

1. The primary function of the Board is to ensure sound governance of the organisation and set its strategic framework and overarching goals.
2. The Board shall comprise a Chairman, 11 non executive directors and a minimum of 1 and up to 3 executive directors who are appointed by the Board. The Chairman and non executive directors will be appointed by a Nomination Committee by way of a fair and open assessment against agreed criteria. Non executive directors are normally appointed for a three year term. They can be reappointed for a second term, but subsequent reappointment must be after open advertising and competition. Non executive directors cannot serve for more than 10 years.
3. The Board will meet six times a year plus the Annual General Meeting, which will be held on the same day as a Board meeting. At least seven days notice will be given of any additional meeting. The quorum for any meeting of the Board shall be four non executive directors and one executive director.
4. A resolution in writing, signed by all the directors for the time being of the Board who are entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board. Email confirmation will be accepted as signature.
5. Each director shall be entitled to one vote. Questions arising at any meeting shall be decided by a simple majority of votes. In case of an equality of votes, the Chairman shall have a second or casting vote. A director shall not vote in respect of any contract in which he is personally interested. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.
6. The Board shall have the authority to invite such persons as it thinks fit to attend at meetings of the Board. Any such persons invited to attend shall not be entitled to vote.
7. If, at any meeting, the Chairman is not present within fifteen minutes after the time appointed for holding the meeting and willing to preside, the members of the Board present shall choose one of their number to be Chairman of the meeting.
8. The Board may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
9. The terms of reference will be reviewed annually by the full board.

Responsibilities

10. The duties of the Board are to:
- 10.1. Appoint a Chief Executive and Company Secretary of the Company to perform such duties as the Board may think fit.
- 10.2. Approve salaries for the Chair, Chief Executive and senior staff at director level. This will be delegated to the Remuneration and Staffing Committee, who will report once a year to the Board.
- 10.3. Approve annual pay review and any bonus schemes.
- 10.4. Approve any redundancy settlements, compromise agreements or pay in lieu above £20,000 or involving any of the Chief Executive's direct reports. This will be delegated to the Staffing and Remuneration Committee, who will report once a year to the Board.
- 10.5. Sit on appointment panels for senior staff at director level or above (at least one board member).
- 10.6. Approve a business and operational plan and annual budgets once a year in January.
- 10.7. Ensure that contractual commitments with funders are met.
- 10.8. Ensure through an Audit Committee appropriate financial controls are in place and policies followed for procurement and expenditure. The current financial regulations are detailed in Appendix A.
- 10.9. To approve the management accounts of the company at each board meeting, with regard to maintaining a prudent balance of assets and liabilities, with special regard to managing the pension liability and the redundancy liabilities in the event of a cessation of public funding.
- 10.10. Establish and maintain ethical guidelines for the operation of the company. This will be led by the Ethics Committee which will report once a year to the Board.
- 10.11. Report to the annual general meeting of the company, approving the annual accounts of the company to be presented to the AGM.
- 10.12. Ensure that appropriate records are kept of all board and committee meetings.
- 10.13. Accept applications from persons, organisations and unincorporated associations or other bodies (including representative bodies) to become legal Members of the Company as they think fit. The Board delegates the management of this to the Company Secretary, who will report changes to the Board twice a year.

Appendix A

Authorisation Matrix

Description	Level	Process	Authorisation
Purchase orders	General	<ul style="list-style-type: none"> - All related purchases must be grouped together, authority levels relate to aggregated value. - PID (where applicable) to be completed first. - All figures inclusive of VAT 	
	Below £250	No quote required	Manager
	£251 - £500	Single verbal quote	Exec Director
	£501 - £2,500	Minimum of three verbal quotes	
	£2,501 - £10,000	Invitation to quote – minimum of three written quotes, based on a clear written specification of requirement.	Exec Director + Fin Director
	£10,001 - £20,000	As for £2,501 - £10,000 above	CE + Fin & Ops director
	£20,001 - £50,000	CE + Ops director to decide Quote or Tender. Rules as above or below apply	CE + Fin & Ops director
	£50,001 - £139,893 *	Invitation to tender – four to six formal competitive tenders invited	Chair + CE + Fin & Ops director
	Above £139,894	EU Procurement (OJEU Open, Restricted, Competitive Dialogue or Negotiated). EU procedures are set out in the Public Contract Regulation 2006.	Chair + CE + Fin & Ops director
	Above £1,000,000	EU procurement as above	Full Board

* EU threshold valid until 31/12/2009

Audit Committee Terms of Reference

1. The primary role and function of the Audit Committee is to advise the Board on the adequacy and effectiveness of the Company's system of internal controls and its arrangement for risk management, controls and governance processes and ensuring economy, efficiency and effectiveness (value for money).
2. The Audit Committee shall consist of two members of the Board (excluding the Chair and Chief Executive) plus a suitable external member who may not be considered for the role of committee Chair. The quorum will be two members of the committee, other than the external member. Members will be appointed annually.
3. Individuals with expertise to advise the committee on specific issues may be invited to attend a meeting with prior approval of the Chair.
4. The committee will meet at least three times each year.
5. Minutes will be kept of all meetings, email exchanges or phone conferences. The Committee Chair will be responsible for keeping the minute and forwarding it to the Company Secretary. Recommendations will be brought to the full board unless covered by delegated responsibility. Minutes of all meetings unless confidential will be forwarded to the full board for information but sections may be deemed 'commercial in confidence' as far as public circulation or posting on the website.
6. The Terms of Reference shall be reviewed annually by the full board.

Authority

1. The Audit Committee is authorised to seek any information it requires from any employee in order to carry out its duties. All employees are directed to co-operate with any requests made by the Audit Committee.
2. The Audit Committee is authorised by the Board to obtain external legal or other independent professional advice at the company's expense and to secure the attendance of others with experience and expertise if it considers this necessary. The Board shall be informed if this is done.

Responsibilities

1. To monitor the adequacy and effectiveness of The Company's system of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money), and advise the Board on any issues identified.
2. To advise the Board on the appointment, reappointment, dismissal and remuneration of the auditors.
3. To discuss with the auditors and advise the Board on the scope and objectives of the work of the auditors.

4. To review annually the style, content and detail of internal audit reports and make recommendations for change to auditors where appropriate.
5. To ensure effective co-ordination of audit requirements.
6. To advise the Board on audit assignment reports and annual reports and on control issues included in the management letters of the external auditor and management's responses to these.
7. To monitor, within an agreed timescale, the implementation of agreed recommendations to reports of the internal auditor and to the auditor's management letter.
8. To produce an annual report for the Board and Chief Executive Officer, which should include the Committee's advice on the effectiveness of the Agency's risk management, control and governance processes and any significant matters arising from the work of the auditors.
9. To ensure that all allegations of fraud and irregularity are properly followed up.
10. To hear appeals made under the company's Public Interest Disclosure (Whistleblowing) Policy.
11. To advise on such matters as the Executive Board may from time to time remit.

Remuneration and Staffing Committee Terms of Reference

1. The primary role of the Committee is to set and review the pay of the Chair, Chief Executive and other senior appointments, and set annual pay rises and bonus levels. It will also deal with extraordinary redundancy payments, and disciplinary and other staffing matters which cannot be dealt with at executive level, including appeals.
2. The Remuneration committee will comprise three non executive directors excluding the Chair. Members will be appointed annually.
3. The committee will meet at least once annually, and at other times as necessary. The quorum will be two members. Most matters referred within each year to the committee will be dealt with by email or phone conference.
4. Minutes will be kept of all meetings, email exchanges or phone conferences. The Committee Chair will be responsible for keeping the minute and forwarding it to the Company Secretary. Recommendations will be forwarded to the full board unless covered by delegated responsibility. Minutes of all meetings unless confidential will be forwarded to the full board for information, but sections may be deemed 'commercial in confidence' as far as public circulation or posting on the website.
5. The terms of reference will be reviewed annually by the full Board.

Responsibilities

1. Under delegated authority from the Board to set pay levels, benefits and conditions of service of the Chair, Chief Executive Officer and other senior staff at director level, taking into account the package required to attract and retain executives of the quality required but not paying more than is necessary for the purpose, the position of the company relative to other companies and the wider economic scene including pay and employment conditions elsewhere.
2. To recommend to the full Board the overall level of pay increases (if any) for the company
3. To propose or review incentive schemes for the staff and executive officers
4. To determine or advise the Board on such matters as the Board may from time to time remit.
5. To review significant restructuring or severance proposals, including the objective of the proposal, cost and sustainability. "Significant" in this context is taken to mean a restructuring of >10% of the workforce of the company, measured in headcount or a proposal to sever the employment of the senior staff at director level or above.
6. To hear any staff grievances which cannot be dealt with at executive level, and to sit as or convene the appeals committee for grievances.
7. Under delegated authority from the Board approve any redundancy settlements, compromise agreements or pay in lieu above £20,000 or involving any of the Chief Executive's direct reports.

Ethics Committee Terms of Reference

6. The primary role of the Ethics Committee is to set a framework for standards within the company and the ethical operation of the officers and directors of the company.
7. The Ethics committee will comprise two non executive directors excluding the Chair, plus an external Chair. The quorum will be two members of the committee. Members will be appointed annually.
8. The committee will meet at least once annually to set or review the framework, and additionally to consider specific issues. Most matters referred within each year to the committee will be dealt with by email or phone conference.
9. Minutes will be kept of all meetings, email exchanges or phone conferences. The Chair will be responsible for keeping the minute and forwarding it to the Company Secretary.
10. Recommendations will be submitted to the full board unless covered by delegated responsibility.
11. Minutes of all meetings unless confidential will be forwarded to the full board for information, but sections may be deemed 'commercial in confidence' as far as public circulation or posting on the website.
12. The terms of reference will be reviewed annually by the full Board.

Responsibilities

8. To set a framework of behaviour for the directors and officers of the company in relation to ethical practice in relation to its trading, procurement, environmental, payment and operational policies and such others matters as so determined by the Board.
9. To determine such practices as from time to time shall be referred to it by the Board.
10. To determine such concerns from staff, customers and partners and other interested parties as shall from time to time be referred to it and to advise the Board as appropriate.

Nomination Committee Terms of Reference

1. The primary role and function of the Nomination Committee is to review, reappoint, recruit and appoint all non-executive directors to the Welcome to Yorkshire Board including the Chairman, and to appoint the Chief Executive.

The Nomination Committee shall consist of four members: three from Welcome to Yorkshire, being the Chairman, and two other non-executive directors, to be appointed from time to time as necessary. The fourth member, with full voting rights, will be a nominated representative of the main external funder, who is currently Yorkshire Forward. The quorum will be three members of the committee. Members will be appointed annually.

Welcome to Yorkshire's Chairman will chair the committee. If the chairmanship is under review, the Chairman will cede the chair to a Deputy and absent him/herself from the entire meeting. A secondee, from the balance of WTY non-executives, will take the vacant voting place .

4. Any other members of the committee whose re-appointment or candidacy for any WTY role is on the agenda must also absent themselves from the appropriate meeting and be replaced by secondee(s) as (3) above.
5. In the event of a tied vote, the Chairman's decision is final.
6. Minutes will be kept of all meetings, email exchanges or phone conferences. The Committee Chair will be responsible for keeping the minute and forwarding it to the Company Secretary. Recommendations will be brought to the full board unless covered by delegated responsibility. Minutes of all meetings unless confidential will be forwarded to the full board for information but sections may be deemed 'commercial in confidence' as far as public circulation or posting on the website.
7. The Terms of Reference shall be reviewed annually by the full board.

Responsibilities

1. To ensure the timely recruitment of all non executive directors of the Board.
2. To carry out a skills audit to determine what skills are required by the Board.
3. To review the performance of the Chair annually. The Chair will provide a written report, as dictated by her/his contract of employment.
4. To appoint a Chief Executive should there be a vacancy.