

Minutes of Meeting of the VisitScotland Board held on 14 September in Ocean Point and via video conference (Teams)

Present: John Thurso (Chair)
Anne Anderson
Caroline Roxburgh
Keith Nicholson
Paul Easto
Rebecca Brooks
Shona Marsh
Steven Walker

In attendance: Malcolm Roughead (Chief Executive)
Ken Neilson (Director of Corporate Services)
Paul Bush (Director of Events)
Rob Dickson (Director of Industry and Destination Development)
Vicki Miller (Director of Marketing and Digital)
Michelle Lavery (Head of Corporate Governance and Performance) for item
4 and 5 only
Raymond MacIntyre (Lead Economist) for item 5 only

Minutes: Freja Fischer-Møller

Apologies: No apologies

INTRODUCTIONS

1. The Chair welcomed the attendees to the in-person meeting and welcomed those calling in remotely.

MINUTES OF THE BOARD MEETING HELD 20 JULY 2023

2. The minutes of the Board meeting held on 20 July 2023 were approved as a true and accurate record of the meeting.

CONFLICTS OF INTEREST

3. No conflicts of interest were raised.

MATTERS ARISING

4. It was noted that all matters arising were covered during today's meeting.

STRATEGIC PLANNING

5. Head of Corporate Governance and Performance outlined Scottish Government's Resource Spending Review indications impacting VisitScotland's financial position. It was advised that significant transformation is required for VisitScotland to continue to invest in core programmes of activity that align with government priorities, to meet our statutory obligations and to enable us to deliver our purpose.
6. The Board discussed the implications of the Resource Spending Review emphasising the importance of continuing the conversation with Scottish Government regarding the investments in tourism and VisitScotland's role as a driver in this.
7. The Chief Executive presented the proposed changes to VisitScotland's strategic framework, that aligns with Scottish Government's National Strategy for Economic Transformation, public sector reform and the climate emergency as main focal points.
8. He further updated the Board on management's strategical planning that was laid out at the Board's Strategy Awayday in April.
9. The Director for Industry and Destination Development outlined strategic options for quality, embedding it within the wider tourism business support.

The Board approved the direction of travel and asked that Management continue to develop its recommendations and to keep the Board informed of progress.

Action: An outline Communications Plan with timeline to be presented at the Board meeting in October.

10. The Director of Marketing presented an analysis on information provision to the visitor noting that VisitScotland has a greater, more impactful role to play pre-arrival.
11. It was noted that when considering digital platforms, accessibility needs to be considered, to include all visitor profiles.
12. The commercial partners and the interdependence with the destination businesses were discussed.

The Board approved the direction of travel and asked that Management continue to develop its recommendations and to keep the Board informed of progress.

Action: An outline Communications Plan with timeline to be presented at the Board meeting in October.

ANNUAL REPORT AND ACCOUNTS

13. Head of Corporate Governance and Performance ran through the structure of the draft Annual Report, and the Lead Economist explained the methodology of the reporting, how we measure VisitScotland's contribution to Scottish Government's National Strategy for Economic Transformation, and how it will be captured in future Annual Reports.
14. The Board discussed the development of the KPIs and metrics, and it was noted that this work will be part of the regular meetings between the Chief Executive and Richard Lochhead MSP (Minister for Small Business, Innovation, Tourism and Trade).

15. The Chair expressed his appreciation with the changes made to the forewords, and the Board supported the narrative.
16. No specific points for clarification were raised, but the Board was advised that feedback could be given until their meeting in October where an amended draft will be presented.

CHAIR AND CHIEF EXECUTIVE UPDATE

17. The Chair provided an update on his activities since the previous Board meeting highlighting a meeting with Neil Gray (Cabinet Secretary for Wellbeing Economy, Fair Work and Energy).
18. He noted that Scottish Government has commenced the recruitment for a new Chair and members for the VisitScotland Board and encouraged the Board to share this information.
19. The Chair invited the Board to attend the dinner held on 16 October ahead of British Tourist Authority's Board meeting, where Malcolm Roughead and Marc Crothall will be speaking.

Action: A briefing to be prepared for Board members ahead of the STA dinner.

20. The Chief Executive gave his update to the Board noting that the domestic market is strong but impacted by the cost of living with consumers cutting back on overnight stays, eating out and ticketed experiences. He also outlined that challenges remain with capacity and quality of service.
21. The Board was further updated on VisitScotland's engagement with international stakeholders.

CORPORATE SERVICES REPORT

22. The Director of Corporate Services spoke to the directorate paper and informed the Board that the Edinburgh Office relocation is progressing well including the data centre decommissioning.
23. The Board was advised that in response to a recommendation from the Internal Audit, there will be changes to mandatory Health and Safety training to ensure we reach full compliance. Head of Department will monitor completion statistics, and the Health and Safety Manager is working with Learning and Development to enhance the training.
24. It was further advised that Procurement and Finance teams still need to spend considerable time assisting the 2023 UCI Cycling World Championships Ltd. Currently, focus is on closing contracts and finalising the reconciliation of event time spend and the overall budget outturn.
25. The Board noted the update.

EVENTS

26. The Chair and the rest of the Board thanked the Director of Events and Chief Executive of 2023 UCI Cycling World Championships for the successful delivery of the event which ran from 3-13 August 2023.
27. The Director of Events also thanked the Board for the support and the strategic direction they have given to the 2023 UCI Cycling World Championships, and thanked all staff at VisitScotland, who have assisted with the delivery of the event.

28. The Board was advised that VisitScotland, 2023 UCI Cycling World Championships and Scottish Government teams led by Roy Brannan and Joe Griffin are looking at the legacy outcomes and how we can build on the impact of cycling.
29. The Director of Events further updated the Board on activities undertaken by the Events Directorate including the review of the National Events Strategy and bidding for future major sports events.
30. The Board noted the report.

INDUSTRY AND DESTINATION DEVELOPMENT

31. The Director of Industry and Destination Development provided an overview of recent industry activity.
32. The Board was advised that the appetite for the Rural Tourism Infrastructure Fund is strong. The number and value of applications exceed VisitScotland's ability to fund all projects. There is a need for a network of business investments. Insufficient charging points across Scotland is a good example on where businesses and hotels could work together on infrastructure investments.
33. It was further noted that Scottish Government has asked VisitScotland to lead an Expert Group to produce non-statutory guidance on a Visitor Levy.
34. The Board noted the report.

MARKETING, DIGITAL AND BRAND SCOTLAND REPORT

35. The Director of Marketing and Digital spoke to the Marketing report, highlighting VisitScotland's activities to build on the legacy of cycling.
36. The Board was advised that the service and capacity issues in the seasonal spread are being monitored. To support the seasonal spread VisitScotland is planning a promotional push for direct air routes that provide out of season connections to Scotland. It was further noted that to support the seasonal connectivity by ferry, a partnership campaign with DFDS Seaways has launched in August to generate shoulder and off-season travellers from the German and Dutch markets.
37. The Board noted the report.

AUDIT AND RISK COMMITTEE

38. The Chair of the Audit and Risk Committee spoke to the ARC paper and noted the current focus on the close-out procedures for 2023 UCI Cycling World Championships.
39. The progress on closure of audit points in the Internal Audit and Assurance report is being tracked by the ARC
40. The Board was advised that the Internal Sustainability report is being reviewed and will be submitted to the October Board..
41. It was further advised that insufficient funding to core activities was noted as the main concern in the risk register.

CORPORATE PLAN ROADMAP

42. The Director of Corporate Services updated the Board on the Corporate Plan. VisitScotland is required to outline a 3-year plan for the organisation's vision and strategic priorities. Due to Scottish Government's Resource Spending Review and the unknown financial impact on VisitScotland's longer-term budget position, management has discussed with the SG Sponsor Team whether to amend the timeline.
43. An extension of the current deadline from December 2023 to February 2024 was proposed. Additionally, the option to publish an 'intermediate Corporate Plan' covering a Financial Year 2024/25 with the intention to publish a full plan out to 2027 by December 2024 was also proposed.

The intermediate Corporate Plan proposal was approved by the Board.

POLICIES

44. The Director of Corporate Services presented the policies for the Board's approval:
- Authorised Signatory Policy
 - Data Protection Policy
45. No questions or comments were raised.

The policies were approved by the Board.

46. It was noted that the Subsidy Control Policy is available for Board members' review and will be presented for approval at the Board meeting in October.

FINANCIAL AND BUSINESS PERFORMANCE REPORT

47. The Director of Corporate Services presented the Financial and Business Performance Report.
48. It was noted that salary savings are expected to be delivered by end of year. Any additional savings could be used to invest in the approved projects identified in the strategic reviews.
49. The Director further updated the Board on the ongoing discussions on the valuation of the BTB pension scheme. VisitScotland is currently awaiting confirmation of the outcome of the valuation following the most recent trustees meeting.

AOB

50. It was noted that the Scottish Thistle Awards national final is on 1 December in Glasgow.
51. The Chair also invited Board members and directors to attend a dinner on 6 December in Edinburgh ahead of the last Board meeting. It was further noted that location for Board meeting on 7 December will be confirmed once the relocation to Waverley Court has completed.

CLOSE

Thereafter, the meeting was brought to a close.