

Minutes of Meeting of the VisitScotland Board held on 23 July 2020 by video conference

Present: John Thurso (Chairman)
Anne Anderson
Caroline Roxburgh
Stephen Hagan
Rebecca Brooks
Keith Nicholson
Steven Walker

In attendance: Malcolm Roughead (Chief Executive)
Vicki Miller (Director of Marketing, Digital and Brand)
Riddell Graham (Director of Industry and Destination Development)
Ken Neilson (Director of Corporate Services)
Paul Bush (Director of Events)

Lynn Jack (Head of HR – for agenda item 5 and 6)

Minutes: Gayle Biggart

INTRODUCTIONS

1. The Chairman welcomed Board members to the meeting and thanked them for joining the meeting by video conference. Apologies from Cathy Craig were noted. It was noted that the matters arising would be covered during the course of today's meeting.

MINUTES OF THE BOARD MEETING HELD ON 11 June 2020

2. The minutes of the Board meeting held on 11 June 2020 were approved as a true and accurate record of the meeting.

CONFLICTS OF INTEREST

3. No new conflicts of interest were noted.

MARKETING PRESENTATION

4. The Director of Marketing, Digital and Brand presented to the Board to provide an overview of the domestic recovery marketing campaign and to outline the international marketing plans. It was advised that communities and local industry engagement had been at the heart of the activity. It was noted that the inspirational content had been carefully balanced

with the responsible travel messaging, practical information and reassurance, for example a responsible visitor charter has been created. It was highlighted that we will work with Scottish National Heritage and the National Parks to address the irresponsible behaviour that has been reported in some parts of the country and that additional content for younger travellers is being developed. It was noted that work is ongoing to drive demand to the areas of the country where it is needed based on supply side intelligence. It was advised that self-catering properties are seeing a 40% increase on the same period last year and they are booked for much of the rest of the year. However, it was advised that city centre hotels are struggling to receive bookings and the impact of attractions and spa facilities in or around the hotels not being open yet was noted. It was advised that partnership opportunities are being made available to national and regional partners to be part of VisitScotland's activity. It was advised that VisitBritain had been provided with funding to run a UK wide domestic campaign and that work was underway to ensure the creative between the VisitBritain and VisitScotland campaigns was aligned. It was also advised that the UK Government were going to run "Enjoy Summer Safely" campaign but that the advertisements for Scotland did not show Scottish landscapes or businesses so discussions to amend this content were ongoing. It was advised that if the content could not be updated then the VisitScotland URL would be removed from the advertisements.

5. It was advised that the UK campaign, with a focus on the south of England and Ireland, was due to be launched next week. It was noted that planning for international campaigns was underway but that this would not go ahead until approval from Scottish Government had been given. An overview of the objectives for restart/recovery were provided as follows:
 - Build national pride and stimulate local responsible travel within Scotland;
 - Reassure Scotland that we are taking a responsible approach to attracting visitors from else-where and encouraging safe and responsible behaviour;
 - Use supply side intelligence to inform messaging and media approach;
 - Capitalise on school holiday months;
 - Promote wide range of holiday types on offer in Scotland across the seasons;
 - Make Scotland discoverable; and
 - Put industry at the heart of delivering the message.
6. It was advised that the tag line for the 'Only in Scotland' campaign was: "Only in Scotland can travelling so little make such a big difference". It was emphasised that this referred to both individual travellers and their wellbeing and to the economy. It was noted that the same tag line would be used for activity focused in England and Ireland but that the focus would be more on the difference a trip to Scotland would make to the visitor as an individual rather than the economy. It was advised that the broadcast activity was expected to reach 8m ABC1 households. It was noted that if additional funding became available, the campaign could be extended to the end of the financial year which would ensure a heavier weight winter campaign.
7. It was noted that a fully integrated media schedule supporting core messaging, targeted to regions and with the ability to pause activity should market conditions dictate were key to

domestic recovery. This plan supports core branding messaging across varying media channels to ensure optimal reach, as well as providing opportunities for partner inventory across these channels to support industry and stakeholder engagement and conversion booking. There was a discussion around the use of online platforms and products to move audiences from awareness to booking and the role of other media formats e.g. radio, TV and press. The importance of insight from industry, OTAs and communities was highlighted to allow VisitScotland activity plans to be dialled up or down based on supply and demand. It was advised that the campaign would be measured in the following ways:

- On-site web survey;
- Brand awareness uplift studies;
- Incremental vies and bookings via OTAs of Scotland product; and
- Organic traffic and referral, social sentiment, reach and advocacy.

For the international campaign it was noted that the go ahead from the Scottish Government was required before activity would commence but that planning was underway and messaging to advise visitors what to expect when they are eventually able to travel to Scotland was mentioned.

8. The Board questioned how visitors who were searching for other product could be diverted to Scotland. The Director of Marketing advised that the basis of the media buy with the OTAs had been to look for people with an affinity for what Scotland has to offer and target them. There was a discussion around community sentiment and how this was balanced with the messaging in the VisitBritain campaigns as well as our own. It was noted that VisitScotland has the insight into the community sentiment and that this is constantly evolving so working with other agencies is key to getting the content right. It was noted that the Director of Industry and Destination Development's team had been working alongside the Marketing team so that any sensitivities were highlighted. The Board noted that the efforts of VisitScotland staff on the islands was not unnoticed and that communities had started to develop their own charters to welcome visitors back. It was noted that there had been no reports of prices for self-catering accommodation being increased in the wake of the pandemic. The Board asked whether media rates had increased and how any remaining budget would be used later in the year. It was noted using video on demand allowed VisitScotland to be more efficient and that the teams were looking for targeted opportunities for later in the year. The Chair advised that he was due to speak to the Chair of VisitBritain about the UK wide campaign. The Board also asked whether anything needed to be done differently in terms of systems and data. It was noted that an occupancy survey had been issued to hotels and the Scottish element of the data would be helpful for VisitScotland.
9. The Chair advised that he had received good feedback following a presentation to the hotelier industry which had been led by the Director of Marketing and the Director of Industry and Destination Development. The Board thanked the Director of Marketing for the presentation and noted the amount of work which had been carried out by the Marketing teams in recent months.

STAFF SURVEY RESULTS

10. The Chief Executive noted that as agreed at the June Board meeting, the staff survey results would be brought to the Board in full at this meeting. The Head of HR joined the meeting to take the Board through a presentation and to answer any questions. The Head of HR advised that the staff survey carried out in May was an interim one to gain insight into how staff were feeling and coping with working from home during the COVID-19 lockdown. It was noted that the results represented a point in time.
11. It was noted that staff felt supported by VisitScotland, that there had been good communication and clear leadership. Results also showed that staff felt connected to colleagues and this was likely to be the result of the efforts by the IT Team to ensure everyone was equipped to work from home and had technology to continue working as normally as possible. It was noted that staff happiness had decreased, and anxiety had increased. It was explained that the ONS use questions on happiness and anxiety in their surveys and the results from VisitScotland showed similar levels to ONS results recorded pre-COVID-19. It was advised that 20% of staff in VisitScotland have children of school age or younger and so the challenge of balancing childcare and workload had formed part of the results, as well as keeping motivated. The emails from the Chairman and Chief Executive had been very well received by staff as well as positive feedback around the other communications which had been issued to keep staff up to date with information. It was advised that staff consultations for iCentre re-openings and returning to office environments had started. The Head of HR noted that while challenges remained, office furniture had now been issued to staff who requested it, with a second opportunity to request furniture due to be issued shortly and a Headspace app launched to help with wellbeing to provide support to staff. It was noted that the HR team was following up with staff to deal with any concerns raised by them.
12. The Board congratulated Management on undertaking a staff survey during the COVID-19 period and noted that they recognised it was a snapshot in time. The Board questioned why staff had indicated in survey responses that they were “lacking motivation” and if the cause of this was known. The Head of HR explained that this was not a case of staff lacking enthusiasm to do their work and instead reflected the views of those members of staff who are usually out and about meeting industry, travelling, attending conferences and networking. It was advised that staff were not able to feed off one another in virtual meetings as they would in face to face ones. It was concluded that staff were missing the bits of their jobs they loved after those elements disappeared overnight. The Chair of the Audit and Risk Committee noted that the internal auditors had provided positive feedback to the Committee following an audit which focussed on staff wellbeing in a COVID-19 environment. The Board advised that it was impressed with the sensitivity which VisitScotland had applied to the range of different staff circumstances and commended the HR team on their work. It was commented that equality and diversity issues should not be lost during this period.

ACTION: Management to consider undertaking a follow up staff survey once the agile working discussions are more advanced.

AGILE WORKING

13. The Head of HR then took the Board through an agile working discussion paper to share the learnings of enforced confinement during the COVID-19 lockdown and to initiate a discussion about the potential influence this could have on VisitScotland's working practices in the years to come. It was noted that the changes which other organisations have put in place have been looked at and consideration given to the learnings that can be taken and applied to VisitScotland's circumstances. It was highlighted that the main office review gave the organisation an opportunity to look to different ways of working or decide to go back to that way of working. It was highlighted that technology had acted to change the views of staff during lockdown and where someone would have previously travelled from Aberdeen to Edinburgh for a 2-hour meeting would join by video conference going forward. The benefits of working from home on the organisation's carbon footprint were highlighted as well as the fact that staff felt the organisation was more inclusive with less focus being given to the main office in Edinburgh. However, it was noted that working from home is not suitable for everyone and that some staff who live alone or in a flat share had reporting feeling lonely. It was also noted that more discipline was required around the use of video conferencing to ensure that days were not being filled with meetings.
14. The Board was asked for its input to help shape and influence the direction of travel which VisitScotland should take going forward, either to return to the pre-COVID status quo or to look to implement an agile working model. The Chairman advised that the Board should agree the general direction of travel at this meeting and be presented with the detail at a later date. The Board advised that this was an exciting time for the organisation and that the paper presented had accurately captured the benefits and challenges of working from home. The Board advised that it was supportive of the decision to look to implement an agile working model and commended Management for taking the time to work to establish the longer-term picture rather than making quick decisions now. The Board requested that the following be considered when working on the detail for the agile working model:
- Additional data and cyber security requirements for a more agile workforce;
 - How to deliver additional technology in a sustainable way long term;
 - Take this slowly and carefully and work through the model step by step;
 - Skill set required to manage an agile workforce and how to train managers to manage when working remotely;
 - Aim for a balance between video conferencing and face to face environment;
 - Potential wider talent pool if staff do not need to be based from specific locations;
 - Operational considerations and the factors listed within the paper presented to the Board need to be addressed;
 - Base decisions on evidence and outputs of consultations with staff.

ACTION: Management to consider the factors raised by the Board and work on the detail of an agile working model to present to the Board at a future meeting.

15. The Head of HR provided reassurance that the organisation would not rush into any decisions in this area and that the Board's feedback was very helpful for policy considerations. The Board thanked the Head of HR and her team for their work so far.

CEO REPORT

16. The Chief Executive presented his report to the Board. It was noted that a Scottish Tourism Recovery Taskforce had been set up by the Cabinet Secretary with three workstreams, one of which the Chief Executive chairs – the Demand Working Group. It was noted that the role of the group was to look at the role of technology within the industry. The CEO provided an overview of the kinds of topics which were being debated including: (i) the impact and consequences of a reduction in the VAT rate for industry; (ii) the technological and digital capabilities of industry; (iii) use of track and trace type technology to be repurposed for visitor attractions. It was noted that it would be up to the Cabinet Secretary to decide where to give support and that the role of DMOs would go to STERG to initiate discussions and come back to the taskforce with a view. It was noted that the Cabinet Secretary is having daily conversations with industry and the issues are being relayed to him. It was noted that because toilets and carparks had been reopened on a phased basis, often there were no facilities and amenities available for visitors and there was a need for all bodies/agencies to work together. It was advised that the Cabinet Secretary had also asked VisitScotland to outline and propose ways in which the organisation can build on work which it is already doing and to help different parts of the sector. It was noted that it should be remembered that VisitScotland's setup is different to the other enterprise agencies.

ACTION: Time to be included on agenda for future meeting to allow Board to discuss strategic matters, including others matters that VisitScotland may/may not be able to deliver for the sector.

INDUSTRY AND DESTINATION DEVELOPMENT

17. The Director of Industry and Destination Development noted that the team had been working hard on the external engagement piece over the last few months. It was advised that so far, 5,500 businesses across Scotland and across all sectors had signed up to the Good to Go Scheme to self-certify that they were meeting guidance relevant to their sector. It was noted that most businesses were using their own social media channels to promote their marque rather than on visitscotland.com. On the community engagement side, it was advised that Local Authorities played a key role in this to address littering and toilet facilities being made available. It was advised that 83 DMOs had been awarded funding through the COVID-19 destination and sector support fund with good feedback being received from DMOs noting that the amounts awarded would make a big difference to the organisations being able to continue. It was noted that £2.7m had been made available to the South of Scotland Destination Alliance by the South of Scotland Enterprise. It was advised that 60% of ASVA attractions would be open by the end of July. It was noted that the iCentres would be reopened on a phased basis with managed communications and consultations with staff. It was noted that the Edinburgh iCentre had already received European visitors who wanted to know what was open and where they could go. The Board questioned whether the phased re-opening of iCentres would lead to the impression being given that we are not open for business and whether Management think it was an issue that the iCentres had not

been opened sooner. The Director of Industry and Destination Development advised that community sensitivities, the availability of staff and infrastructure checks had played a role in the decision of when to re-open iCentres in each location. It was noted that a supplier had been engaged to complete legionella tests at the remaining centres to accelerate the health and safety work.

CHIEF EXECUTIVE'S OFFICE - Insights and Communications reports

18. The Insight and Communication papers were taken as read but the Chief Executive highlighted that it had been a busy time for both teams, with a 550% increase in engagement on visitscotland.org.

CORPORATE SERVICES – OPERATIONS UPDATE

19. The paper was taken as read but some of the business as usual activity continuing across the organisation was highlighted as follows:
 - A major Oracle update was implemented last weekend with a new user interface being deployed in the coming weeks;
 - Scoring is underway as part of the Cyber Security Framework Activity and an update on a recent phishing simulation exercise was provided to the Board;
 - Data protection impact assessments are now being completed through the OneTrust software; and
 - The decision of the Supreme Court in the Morrisons data breach case.

EVENTS

20. The Director of Events advised that four meeting of the Events Industry Advisory Group had taken place. It was noted that the needs of this sector were different to those of the tourism industry and that it was likely that a vaccine would be required to be in place before major events could come back. Some of the 'behind closed doors' events taking place in July and August, including golf test events, were highlighted and it was noted that business events were looking at September/October. It was advised that events guidance has been published.
21. It was reported that good progress had been made with the 2023 Cycling World Championships project and a preferred candidate for the CEO position has been identified. It was noted that eight candidates had now been shortlisted for the remaining Board positions and that the aim was to appoint the successful candidates at the next 2023 Cycling World Championships Limited Board meeting. **The terms of reference for the 2023 Cycling World Championships Limited Audit and Risk Committee were discussed and approved by the Board subject to the comments from the Chair of the VisitScotland Audit and Risk Committee being incorporated.**
22. An overview of Festival 22 was provided to the Board and it was acknowledged that this was in the early stages of development with clarification on governance arrangements still required. The Board approved the direction of travel and requested that this matter be brought back to the Board at a future date following receipt of the Addendum to

VisitScotland's Letter of Strategic Guidance. The Board commented that this was excellent news for the festival sector and requested that consideration be given to ensuring a joined up 'Team Scotland' approach is adopted for this project.

ACTION: Festival 22 to be added to a future Board agenda once the Addendum to VisitScotland's Letter of Strategic Guidance has been received.

MARKETING AND DIGITAL REPORT

23. The Director of Marketing and Digital advised that as well as the activity outlined earlier in the meeting, business as usual activity has continued for the Directorate, including the digital transformation projects. It was noted that new content had been added to visitscotland.com but that there were some delays to the redevelopment project.

FINANCIAL AND GOVERNANCE MATTERS

ALLOCATION OF RECOVERY BUDGET

24. The Director of Corporate Services advised that following the June Board meeting, Management had discussed the allocation of the £7.34m to recovery activities. It was noted that the proposed allocation was set out in the papers. **The Board approved the proposed allocation for the £7.34m core recovery budget and noted the additional funding request which has been submitted to VisitScotland's sponsor team.**

FINANCE AND RISK REPORT

25. The Director of Corporate Services provided the Board with an update on spend to date against the operational interim budget and spend to date against the capital budget. It was noted that Management had reviewed the spend to date for both the operational and capital budgets and confirmed that the spend is in line with expectations and the approved budget. It was advised that the Glasgow office relocation would take place at the end of July.
26. It was noted that preparation of the Performance Report for the Annual Report and Financial Statements is underway. It was confirmed that VisitScotland would not be taking advantage of the relaxation to the requirements for the Performance Report and would instead be preparing a full report. It was advised that Management had suggested the following approach for the Performance Report:
- Each pillar of the strategic framework has a section summarising VisitScotland's achievements in 19/20. It was noted that this followed the same concept as last year's report but would be changed for this year's report so that the detail is only provided for the top 3 or 4 activities with the remaining achievements being summarised through infographics rather than lots of text.
 - Continue with case studies filtered through the Performance Report; and
 - Add a section for COVID recovery summarising the work undertaken to date.
27. The timetable for the Annual Report and Financial Statements was set out to remind the Board that a draft of the Annual Report and Financial Statements would be brought to the

September ARC and September Board, and that following the audit, would be brought back to the November ARC for discussion and December Board for approval. It was advised that the revised timetable has been discussed and agreed with Audit Scotland. It was noted that it was unlikely that draft narratives would be circulated in advance of the September ARC meeting. The Board agreed with the approach to prepare a full Performance Report as this provides a more rounded and balanced picture. The Board requested that the narrative highlight that 2019 was a record year for tourism in Scotland and contrast this with the impact COVID has had on the industry. There was a discussion around the role of sustainable tourism and how this would be featured in the Performance Report.

ACTION: Management to consider how sustainable tourism will be featured in the Performance Report.

28. The Director of Corporate Services provided an update on risk management and advised that as VisitScotland's usual reporting is based around the budget, which has just been finalised following the impact of COVID-19, the full risk register had been shared with the Board in advance of this meeting. It was noted that for the first time there are two risks scored at the maximum score of 25. It was advised that these were COVID related risks and the scores reflected the impact the pandemic has had on tourism. It was highlighted that the COVID specific risks were reviewed on a monthly basis. It was noted that the Risk Management Committee had met this week and that the overall risk register score remained as set out in the papers.
29. It was also highlighted that risks had moved across the risk proximity map when compared month on month which shows that Management are using the tool to manage risks within the organisation. The Chair commented on the comprehensive risk report.

PENSIONS

30. It was noted that activity in relation to the local government pension fund was processing well and that an update on the BTB pension scheme would be provided at the next Board meeting. The Chair advised that he had inputted his comments on this paper prior to this meeting.

ACTION: Management to provide an update on the BTB pension scheme at the next Board meeting and ask external advisors to prepare a paper to allow discussions on the valuation to take place.

ARC UPDATE

31. The Chair of the ARC noted that a number of matters included in the summary report and draft minutes from the July ARC had already been covered during the course of this meeting. It was noted that the Internal Auditors had completed their Annual Report and had provided the highest level of assurance for the organisation's risk management and controls. It was noted that VisitScotland was operating effectively and benchmarked well against other public sector organisations. The risk management procedures were described as effective and dynamic and it was noted that the risk report was up to date with mitigating actions, with the proximity graph helping to focus on the short-term

picture. It was advised that work would be done to include the longer-term organisational strategy in the register. It was noted that there were no significant points arising from the well-being and information strategy audits but that there was some clarification work to complete on what success looks like for the iKnow community which would be addressed in the medium term. The Chair of the ARC confirmed that the Committee was comfortable with the governance arrangements which had been put in place around the Ocean Point/Edinburgh office project. It was noted that the Committee had reviewed five policies in advance of them being passed to the Board for approval. It was noted that the procurement process for selecting internal and external auditors for 2023 Cycling World Championships Limited was beginning on the basis that one tender would be issued with two lots, allowing bidders to tender for either or both but acknowledging that they can only be successful for one of the lots. It was advised that the ARC had prioritised the appointment of the external auditors. The Board had no other comments on this approach.

POLICIES

32. The Board approved the following policies:

- Anti-bribery and Corruption
- Criminal Finance
- Fraud
- State Aid
- Best Value

BUSINESS CONTINUITY UPDATE

33. An update was provided to the Board to highlight the activity undertaken to consider the re-occupation of iCentres, local offices and current working from home measures in relation to the Scottish Government COVID-19 route map. It was advised that although the iCentres were starting to reopen on a phased approach, following risk assessments being undertaken in each location and PPE being provided to staff, there was no rush to re-open local offices. It was noted that the learnings from re-opening iCentres would be used when considering the plans for local offices. It was noted that IT equipment had been issued to all staff who needed it and chairs and tables to enable an office style set up while working from home had been issued to staff who had requested it, with a further order underway. It was advised that a new Headspace App had been launched to help people practise mindfulness and sleep. The Board asked whether a return to local offices had been considered with a lower occupancy rate as not all staff were thriving in the working from home environment. Management advised that this was being considered along with the steps which would be required to make this a reality. The Board noted the paper.

AOB

34. There was a discussion around when the Board should meet in person again to show support for areas of the country which are struggling. It was advised that this is being kept under review and we would look to do this when it was permitted to do so.

ACTION: Management to consider when it would be appropriate for the Board to meet in person again when it is safe to do so.

CLOSE

35. The Chairman thanked Board members for their attendance and for providing their comments on the Board papers in advance of the meeting. It was highlighted that this was extremely helpful when conducting the meeting by conference call. Thereafter, the meeting was brought to a close.