

Minutes of Meeting of the VisitScotland Board held on 8 June 2023 in Ocean Point and via video conference (Teams)

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

In attendance: Malcom Roughead (Chief Executive)
Ken Neilson (Director of Corporate Services)
Paul Bush (Director of Events, for item 8 only)
Rob Dickson (Director of Industry and Destination Development)
Vicki Miller (Director of Marketing and Digital)
Chris Taylor (Destination Development Director) (for item 4 only)
Caroline Warburton (Destination Development Director) (for item 4 only)
Gordon Smith (Destination Development Director) (for item 4 only)
Steven Speedie (Head of Facilities) (for item 5 only)

Minutes: Sarah Iversen

Apologies: Anne Anderson

INTRODUCTIONS

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

MINUTES OF THE BOARD MEETING HELD 16 MARCH 2023

2. The minutes of the Board meeting held on 16 March 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.

Action: Take off matters arising once it's been closed for one meeting.

INDUSTRY AND DESTINATION DEVELOPMENT

5. The Director of Industry and Destination Development provided the Board with background on the strategic context for the work of the Industry Destination Development team.
6. The Destination Development Directors gave a presentation on the key objectives set against the new policy landscape, outlining how Destination Development is being delivered by the team via four key areas; supporting destinations through partnership working, strengthening places and businesses through targeted business support, positioning the visitor economy at the heart of Regional Economic Partnerships and Regional Economic strategies, and influencing investment in the visitor economy.
7. The Destination Development Directors presented case studies to showcase their work and emphasised the importance of building relationships by matching national agenda to regional levels.
8. Details of the eight Regional Economic Partnerships Areas were presented with each area having a different approach, but it was noted that VisitScotland plays an important role supporting the Regional Economic strategies and in how the visitor economy is positioned.
9. The Destination Development Directors highlighted current investments through the public sector made by city region and growth deal investment. It was noted that significant funding is going into the visitor economy and the team is involved in these projects.
10. The Director of Industry and Destination Development outlined how the team makes a difference by looking at spread, spend, sustainability and satisfaction.
11. The Chairman thanked the team for the in-depth report and presentation. It was echoed by the Board that there is confidence in the work and the team structure VisitScotland has in place.
12. A discussion followed around the challenges currently facing the industry and it was noted that there is a big focus on mass investment rather than smaller. There was a concern that this approach could drive more visitors to an area where there already is no capacity for them.
13. The Board highlighted the importance of looking at ways to support the Highlands and what we as an organisation can do to stimulate the growth in the area.
14. The Director of Industry and Destination Development and the Destination Development Directors assured the Board that VisitScotland is involved in other investments on a smaller scale. This was followed by more details on the Destination Tweed project – a big investment project that will positively impact the smaller businesses and community in the area.
15. The Director of Industry and Destination Development commented that tourism is in a strong position in the regional economic partnerships which will allow VisitScotland to push through more detailed work. There is the need to ensure VisitScotland get the community aspect right and it was noted that the team's wider work has a strong focus on place. The team is aware of the pressure the industry is facing and is engaged in the conversations.

16. The Chief Executive noted the team has done a fantastic job with its partnership working – making sure the visitor economy is at the forefront in conversations.

INTERNAL SUSTAINABILITY

17. The Head of Facilities updated the Board on the Carbon Reporting system progress and how the organisation can meet the ambition of being net zero by 2030.
18. A tender process had been carried out for an external contractor to deliver on the core project requirements. Scottish Government mandates VisitScotland to report on scope 1 and 2 and the external contractor will help with the assessment of scope 3.
19. Head of Facilities provided an overview of the methodology and scope 1, 2 and 3.
20. It was noted that 17 suppliers were contacted and asked questions relating to their approach to carbon reduction. There were 10 responses and 6 answered all the questions and only 2 had really good data.
21. Purchased goods and services account for VisitScotland's biggest emissions and aim is to reduce carbon emissions in this area.
22. It was noted that VisitScotland is reporting on new areas such as hotels and car leases.
23. It was explained that more work is being done to understand scope 3, there will be a bigger overview of what it means for VisitScotland when engaging with industry and suppliers and how we can influence.
24. A discussion on how VisitScotland captures staff commutes and staff business travel took place. It was noted that VisitScotland captures the business travel through the expenses process but more challenging to capture staff commute.
25. Board noted that it's difficult to capture indirect emissions and recognises the limits of the data. The Board noted the complexity of how far down the supply chain you should go when capturing data but emphasised that consistency is key.
26. Director of Corporate Services noted that this was the first time VisitScotland has looked at scope 3 emissions.
27. The Board congratulated VisitScotland for taking this initiative.
28. The Chairman highlighted the importance of measuring what VisitScotland as an organisation can change. He thanked the Head of Facilities for the work that has been done and look forward to seeing more.

ACTION: Head of Facilities to share the emissions report when finalised.

CHAIR AND CHIEF EXECUTIVE UPDATE

29. The Chairman provided an update on his activities since the previous Board meeting. This included a Chairman led event in Brussels at Scotland House to talk about Net Zero and developing climate action in tourism. Over the upcoming weeks, Chairman has a meeting with the reviewer for VisitBritain, cross party meetings at Westminster, and a meeting with Cabinet Secretary for Wellbeing Economy, Fair Work and Energy Neil Gray end of this month.
30. The Chief Executive advised that the UK market visitor statistics are due shortly.

31. VisitScotland has been asked by Scottish Government to facilitate consultation between industry, Scottish Government and COSLA with the regard to the implementation of the Visitor Levy bill.
32. This will include facilitating an expert advisory group to produce the non-statutory guidance and provide models on how they should operate.
33. The Chief Executive noted that it was encouraging to see that the principles around fairness, simplicity, transparency and additionality have been recognised.
34. It was further noted that there is a large focus on regulation in the sector at the current time.
35. It was highlighted that Year of Stories has been the best themed year ever in terms of number of events with a high number of events that reflected Scots in Gaelic.

CORPORATE SERVICES REPORT

36. The Director of Corporate Services spoke to the directorate paper and advised that Capita Pensions Solutions Ltd had been subject to a data breach. 150 VisitScotland pensioners have been affected but no current employees. Communications are going out to the various pensioners affected.
37. The Datacentre and infrastructure project continues to progress and will allow VisitScotland to exit Ocean Point data centre in 2023. It was noted that an internal audit has been carried out which will be presented at the next ARC.
38. In health and safety reporting, the Director noted that that an accident had taken place. A member of staff fell and broke an ankle. Incident was reported.

EVENTS

39. The Director of Events updated the Board on recent activities including the PGA Tour, LIV and DP World Tour's announcement on a newly formed commercial entity to unify golf. Director noted it's too soon to comment but it will be interesting to follow the development. It was further noted that the budget reduction was confirmed for national and international events programme and unsuccessful applicants are being notified.
40. The Director updated that there has been a good response rate for the new Head of EventScotland post and interviews will take place next week.
41. The strategy consultation roadshows on the National Event Strategy have been very successful with a high volume of participants from a range of stakeholders.
42. The Director provided the Board with an update on UCI Cycling World Championships noting that all local authorities have agreed to ensure all roads are appropriate for racing. It was further noted that extra support for road racing is being brought in due to its complexity and key people are in place for the command-and-control centre.
43. Scottish Government will lead on a public awareness campaign 3-4 weeks before the event.
44. The Director highlighted current risks such as visas taking a long time to process, strikes and protests.
45. It was concluded that there is still a lot of work to be done but it's moving forward in a positive direction.

46. The Board expressed its appreciation to the Director and the UCI Cycling World Championship's team for organising one of the most complicated and innovative sporting events in the current environment with many challenges.
47. The Board also noted VisitScotland's resilience as an organisation with a workforce that is versatile and talented.

INDUSTRY AND DESTINATION DEVELOPMENT

48. The Director of Industry and Destination Development provided an overview of recent industry activity, noting the good progress made on the national Business Support Partnership. A key priority within tourism business support is the target of 200 businesses to complete their own climate action plans.
49. Digital boost webinar programme has been successful in the process of trying to find new funding.
50. VisitScotland's 4th iteration Gaelic Language Plan has been approved. Team is beginning work on a joint tourism and heritage plan which will come to the Board end of this calendar year.

Action: IDD to bring joint tourism and heritage plan to the Board end of this calendar year.

MARKETING, DIGITAL AND BRAND SCOTLAND REPORT

51. The Director of Marketing provided the Board with an update on recent activities.
52. Scotland is Calling campaign 2023 is underway and takes place autumn, winter and early spring. Planning for next phase is underway and is focused on the UK.
53. Scotland Week was a success – the team had a full week of activity and the partnership with NBC was successful in generating awareness and received good PR coverage.
54. The Director noted that they are currently in process of reviewing survey responses from attendees at VisitScotland Connect 2023, and these are mainly positive.
55. Positive outcomes include knowing that demand is there, and a lot of buyers' clients want to consider out of season trips. There is also a demand for unique experiences. It was noted that buyers have expressed challenges with staffing shortages, quality and price.
56. The Director gave an update on upcoming events including a programme of industry webinars and trade workshops.
57. New flight routes Delta Atlanta – Edinburgh and Westjet's Calgary- Edinburgh services were noted, and Hainan will operate a twice weekly direct service from Beijing and Edinburgh from June to October 2023.
58. A wider Board discussion around creating a heat map for who wants what and where and what part does VisitScotland play in this took place. The Director informed the Board that a tracker is used by the team to sense check what they are doing. They work closely with regional directors and local stakeholders to understand on a local level the capacity issues, opportunities and sensitivities.

PROPERTY MATTERS

59. The Director of Corporate Services presented to the Board the Edinburgh office business case. He informed the Board that Waverley Court is the most cost-effective option with a good location and accepted by Scottish Government.
60. The Director noted that there will be a Board meeting space in the new building.
61. The Director for Corporate Services asked for the Board to approve the move to Waverley Court.
62. The Director asked the board to approve the lease extension for the Ullapool iCentre.

- **The Board approved the move to Waverley Court.**
- **The Board approved the lease extension for the Ullapool iCentre.**

POLICIES

63. Policies for Board approval were uploaded to Huddle in advance of the meeting to allow members to review. No queries were raised.

The Board approved the following policies:

- **Lone working policy.**
- **Driving for work policy.**

FINANCIAL AND BUSINESS PERFORMANCE REPORT

64. The Director of Corporate Services presented the Financial and Business Performance Report.
65. It was noted that the content of the report has changed from previous reports. It was also noted that most things are tracking as green.
66. Chairman commented that he appreciates the new layout of the report.

AOB

67. The Director of Corporate Services highlighted that while working on this year's annual accounts, the team has been informed that the pensions balance sheet may go from a negative to a sur plus. It was noted that talks are being had with AuditScotland.
68. The Chairman advised that the next board meeting on 20 July will take place in Ocean Point.

CLOSE

Thereafter, the meeting was brought to a close.