

Minutes of Meeting of the VisitScotland Board held on 29 October 2020 by video conference

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

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)

Lyn Donnelly (Senior Partnerships Manager – for agenda item 5b)

Minutes: Gayle Biggart

INTRODUCTIONS

1. The Chairman welcomed Board members to the meeting and thanked them for joining the meeting by video conference. It was advised that there would be one presentation to today's meeting. The Chairman advised that a revised start time of 9.30am for future Board meetings would be implemented while meetings continued to be held over video conference. It was noted that the Director of Industry and Destination Development would leave the meeting at 11am to chair the STERG meeting.

ACTION: Management to issue meeting invites for a 9.30am start for future Board meetings held by video conference.

MINUTES OF THE BOARD MEETING HELD ON 17 SEPTEMBER 2020

2. The minutes of the Board meeting held on 17 September 2020 were approved as a true and accurate record of the meeting.

CONFLICTS OF INTEREST

3. No new conflicts of interest were advised.

MATTERS ARISING

4. It was noted that the matters arising would be covered during today's meeting.

CHAIR AND CHIEF EXECUTIVE REPORT

5. The Chairman provided an update on some of the work he had been involved in recently, including recording a presentation on green recovery for Highland Council.
6. The Chief Executive advised that there had been success for VisitScotland at the recent Marketing Society Awards, with the Marketing team winning an award for its International Marketing Campaign – “Hey Europe, Scotland has a message for you” and Siobhan Rieley, Market Manager for the US, winning the Rising Star Award. It was also noted that the IT Team had won the Cloud Award at the Connect Public Sector ICT Awards and that four members of staff, Helen Campbell, Cat Leaver, Barbara Clark and Marie Christie, had recently been named in the top 100 women in Tourism 2020 list. It was noted that Rebecca Brooks also featured in the top 100 women in Tourism 2020 list. The Board congratulated all involved.
7. The Chief Executive advised that an overview of the key actions VisitScotland has been involved in over the last seven to nine months in response to the COVID-19 crisis was included in the Board papers. It was noted that many of the actions were still ongoing but that the paper highlighted the flexible approach which had been taken by VisitScotland as certain actions have stopped and re-started in line with government advice. The Board commented that VisitScotland has an important role to play to deliver hope to the industry. It was noted that the mood within the industry had shifted again since the last Board meeting and that there was real concern amongst industry bodies that Scotland would lose a proportion of its market share due to the continuing restrictions. The Board questioned whether VisitScotland could react quickly when changes are announced by government and the Chief Executive advised that the organisation was able to react quickly and that work was ongoing with the respective teams across the Scottish Government to highlight industry concerns and influence the solutions.
8. There was a discussion around staff morale considering the recent stories about a digital Christmas. It was noted that staff who have family on the front line or who normally travel to see family overseas for Christmas were the most concerned but that this was not an issue solely for VisitScotland. The Chief Executive provided a summary of the steps VisitScotland has taken to look after its staff and their wellbeing while working from home including: setting up a staff consultation group; promoting the first contact officer service and confidential care line; introducing “It’s okay to step away” messaging; providing advice for HoDs and line managers; introducing a Headspace app; and providing advice for staff to meet others safely outdoors. It was noted that most staff requests to the HR team were resolved relatively quickly but for those which caused more concern, advice from external organisations was being sought to ensure the correct support was provided. It was highlighted that the organisation would have a better picture once results from the staff survey due to be issued in November had been collated and analysed. It was advised that

the Head of HR would present the results to the Board in January and that this would include any ideas from staff about additional steps which could be taken to support them.

ACTION: results of the staff survey to be presented to the Board in January.

9. The Chief Executive advised that the Insights team continue to track sentiment but that this is in relation to people's intentions rather than what they end up doing. It was noted that further information was needed in relation to occupancy so a complete picture could be built of the capacity levels that are available during the current climate. It was noted that city and hotel occupancy levels had collapsed as there is no night-time economy just now. It was noted that the Communications paper provided an overview of the recent communications which VisitScotland has been sending and was taken as read.

INDUSTRY AND DESTINATION DEVELOPMENT

10. The Director of Industry and Destination Development advised that he had asked members of STERG to pause and reflect on the activity which had taken place since its reintroduction and consider what has and has not worked. It was noted that a recent survey to industry had also provided very useful feedback. The collaborative working practices of the South of Scotland Convention were highlighted to the Board as an exemplar of the Local Authorities and enterprise agency working together. It was noted that 36 applications had been submitted to the Rural Tourism Infrastructure Fund, with an ask of £8.2m for a £3m pot. It was noted that feedback from the Scottish Government was awaited to see if the additional funding could be made available for the fund. It was commented that work on the UNESCO project would now progress. An update in relation to Expo 2021 was also provided to the Board and it was noted that we were still pursuing both the online and physical event options with a view to deciding at a future date. It was noted that the digital event would be tested at the end of November with Scotland Reconnect.

TOURISM DECLARES

11. Lyn Donnelly, Senior Partnerships Manager, was welcomed to the meeting. Lyn provided an update on the actions which the Responsible Tourism Working Group had been progressing to meet the ambitions set out to develop Scotland as a sustainable destination and introduced "declaring" with Tourism Declares as part of this plan. The challenges associated with declaring during a global pandemic were noted by the Board, but it was also advised that industry had been looking to VisitScotland to show leadership and guidance in this area and that there was an appetite for change within the industry. It was advised that if VisitScotland declared as suggested within the Board paper, it would be the first destination to do so and would allow VisitScotland to be part of a global conversation at the beginning of the journey. It was advised that the requirements for declaring were all actions which VisitScotland had already identified in its roadmap/plan and that this was another way of packaging it up and making a public statement. It was noted that if acceptable to the Board, the declaration would be made in the week commencing the 17th November so the announcement could be made together with WildScotland. The Board were asked for comments and suggestions to improve the proposed plan and for its

endorsement for VisitScotland to “Declare” under the Tourism Declares banner in November.

12. The Board considered the proposal. It was agreed that VisitScotland should show leadership in this area but there followed further discussion around the timing of the announcement and the messaging to go alongside it; how this announcement would be received by industry; VisitScotland’s reputation; the resourcing required to progress in this area; and the due diligence which had been carried out by VisitScotland into Tourism Declares. Management advised that a new senior post had been approved by the Leadership Group to lead work in this area going forward. It was confirmed that VisitScotland would be led by the industry in this area and that current feedback was that the industry is looking for change and to push responsible tourism up their agendas. The Chairman noted the importance of investing for the future as the way in which green product is delivered post COVID will be valued by future visitors. The Board noted that this was a real opportunity to show leadership and deliver the message that the economic benefits of tourism must not be delivered at the expense of our environment and host communities. The Board endorsed the proposal to “Declare” in November subject to due diligence work on Tourism Declares being completed.

ACTION: Management to ensure that an appropriate due diligence exercise is carried out in relation to Tourism Declares before VisitScotland makes its declaration in November, setting out its commitment to Responsible Tourism and to progress Scotland as a Responsible Destination.

CORPORATE SERVICES

13. The Director of Corporate Services advised that the Health and Safety Committee continued to meet remotely and that the COVID risks identified were being reviewed and updated. An update on Brexit preparedness was also provided, noting that VisitScotland is working with suppliers to ensure the appropriate documentation is in place to allow data transfers to take place from the EU to the UK in the event of a no deal Brexit.

EVENTS

14. The Director of Events advised that the EventScotland team were involved in conversations taking place across various government departments to produce a route map for events to ensure consistency of approach across the different areas of the country and tier levels. It was advised that the re-start of events was likely to be in the Spring/Summer of 2021. It was noted that the Chief Executive of 2023 Cycling World Championships Limited was now in post and had attended the VisitScotland Leadership Group meeting on Monday. The challenges for establishing a virtual team in the current environment were highlighted.
15. The Board considered the terms of reference for the Joint Partnership Committee for 2023 Cycling World Championships Limited. The Board was reminded that the delegated authority document between VisitScotland and 2023 Cycling World Championships Limited requires the VisitScotland Board to approve the terms of reference for any committees established by 2023 Cycling World Championships Limited. It was noted that this committee

would be made up of three members from 2023 Cycling World Championships Limited (CEO, Board member and Commercial Director) and three members from the UCI. It was noted that the purpose of the Committee was to approve key strategic operational and sales objectives and details arrangements in relation to the marketing and sponsorship rights for the event. **The Board approved the terms of reference for the Joint Partnership Committee.**

MARKETING AND DIGITAL

16. The Director of Marketing and Digital advised that her team was ready to launch international campaigns when and if VisitScotland receives budget and the go ahead from the Scottish Government. It was noted that planning for international campaigns had been undertaken at the same time as planning domestic campaigns. It was advised that the “Only in Scotland” messaging had been translated into foreign languages and an increased marketing budget ask had been submitted to the Scottish Government for the remainder of this year and for 2021/22.
17. It was advised that on the domestic side, the team had been very responsive and acted quickly when wider UK activity was paused on the 7th of October. It was noted that a new bank of content had been filmed which would boost the UK Spring activity. It was noted that there had been some negative comments on social media in relation to VisitScotland being perceived to be encouraging non-essential travel, so the teams had worked to make the “stay safe, dream now, plan for 2021” messaging clearer. It was advised that in the areas in lower tiers with lower infection rates, targeted activity was underway to drive interest in local things to see and do and to work with the attractions which were open.
18. It was noted that traffic on visitscotland.com was up 40% and increase in industry referrals had also been recorded but these figures were expected to drop over the Autumn/Winter period. It was advised that VisitScotland’s own organic social content had the best performance rates outside existing social media followers. It was highlighted that this provided some reassurance that there is still appetite for Scotland.
19. The Board questioned how VisitScotland would support the industry if it did receive additional funding from the Scottish Government, given that lots of organisations had had to cut their marketing budgets over recent months. It was advised that if additional funding was received, VisitScotland would sit down with sector bodies and destination organisations to find out how to best support the industry. It was noted that potential state aid implications or any new rules imposed post Brexit would be considered as part of these conversations.

FINANCE

20. The Director of Corporate Services took the Board through the Finance Paper and advised following on from the re-forecast approved at the July Board, a further re-forecast would be presented to the December Board meeting. An overview of financial performance to date

was provided, with it being noted that the extra COVID-19 grant monies had been provided in a lump sum and would be expended through October and November. It was noted that Management had reviewed the salary spend and were content that the organisation is in line with the budgeted figure. It was advised that the Scottish Government had asked for an update on the matters VisitScotland had contractually committed to in 2021/22. It was further noted that the Tourism Team at Scottish Government had requested that VisitScotland show an overspend in its monthly expenditure report. It was noted that this would allow the Tourism Team to push VisitScotland's requests up the agenda internally within Government, although it was noted that any additional funds would not be spent without approval from the VisitScotland Board.

21. It was noted that the COVID risks were being reviewed and considered by the Leadership Group, Health and Safety Committee and Risk Management Committee regularly and that preparations for the winter months were being considered.
22. It was advised that Mervyn Brown would be retiring from VisitScotland in January but that his last working day is 30 October. The significant role which Merv has played in the Finance teams and ERP project was noted by the Board, who thanked Merv for his commitment and service to VisitScotland and wished him all the best for his retirement.

PROPERTY

23. The Director of Corporate Services took the Board through the proposal for the new Aberdeen office space. It was noted that the shared accommodation approach would save the organisation money and would be a pilot for post COVID working. The Board noted that the Aberdeen lease was due to come to an end at the end of December 2020 but that it was not proposed to commit to the Aberdeen space until March 2021. Management advised that it would seek to make this commitment earlier if there was a risk that the space could be lost to another business. **The Board approved the proposal for VisitScotland to enter into a two-year service agreement for an appropriately sized office at Spaces in Aberdeen.**
24. The options for office space for 2023 Cycling World Championships Limited were provided to the Board. It was advised that the 2023 Cycling World Championships Limited Board had reviewed the proposals and was content to proceed with office space within the VisitScotland Glasgow Office building. It was noted that if approved by the VisitScotland Board, approval would also be sought from Scottish Government. It was noted that having the CWC and VisitScotland offices in the same building would be beneficial from an IT perspective and would allow CWC space to expand if required. **The Board approved the proposal for 2023 Cycling World Championships Limited to take up office space within the VisitScotland Glasgow office building.**

ACTION: Management to submit the proposal for 2023 Cycling World Championships Limited office space to the Scottish Government for approval.

PENSIONS

25. [Commercial and confidential until consultation complete]

PROCUREMENT

26. The Director of Corporate Services provided an overview of the background to the Sponsorship Agency Tender and the tender process. It was noted that the 2023 Cycling World Championships Limited Board had sought additional information and made recommendations following its review. It was noted that the additional information requested, and recommendations had now been addressed and following successful post tender negotiations, the tender had been concluded and an Application to Award the contract was due to be submitted to the next 2023 Cycling World Championships Limited Board meeting. VisitScotland Board members were advised that if the 2023 Cycling World Championships Limited Board approved the Application to Award, a Board Paper and Appendices would then be sent to VisitScotland Board members for their review and approval by email in between meetings. Board members noted this process.
27. The Board questioned why other suppliers had not submitted tender responses and it was advised that the contract value was too low for them to submit bids. There was also a question around the financial viability of the bidder and whether sufficient diligence had been carried out. It was noted that the procurement process provided a robust method for checking financial viability. It was noted that financial viability pre and post COVID were different and it was requested that the work done to seek assurance on this be provided in the paper which is due to come to the Board for approval.

ACTION: Management to set out more detail on the financial checks carried out as part of the process in the paper which is due to come to the VisitScotland Board and provide a copy of the break clauses which have been included in the contract.

POLICIES

28. The Director of Corporate Services advised that an amendment was proposed to the Travel and Subsistence Policy to allow staff to claim for some travel and subsistence expenses associated with business related wellbeing activity during the winter period. **The Board approved the variance to the Travel and Subsistence Policy** and noted that a full review of the existing Travel and Subsistence Policy would be carried out in 2021 when staff can begin to travel more normally for business again.

BUSINESS CONTINUITY UPDATE

29. The Director of Corporate Services advised that the business workforce recovery group was being used as a checkpoint for business activity, ensuring risk assessments are completed and any activities being undertaken are done in accordance with the relevant guidelines. The Board noted the update.

GOOD GOVERNANCE

30. The Chairman advised that he would shortly been in touch with Board members to arrange a time to undertake appraisals over video conference. It was noted that an overall Board appraisal would also be carried out with Board members being asked to complete a survey, the results of which would be anonymous. It was further noted that four members of the Board would be coming to the end of their second terms in just over a years' time and that the results of the appraisals would highlight any gaps in the Board skills matrix.

CLOSE

31. There being no other business, the Chairman thanked Board members for their attendance and for submitting their comments in advance of the meeting. Thereafter, the meeting was brought to a close.