

Minutes of Meeting of the VisitScotland Board Held on 15 March 2019

- Present:** John Thurso (Chairman)
Anne Anderson
Caroline Roxburgh
Carolyn Jameson
Rebecca Brooks
Calum Ross
Stephen Hagan
Cathy Craig
- In attendance:** Malcolm Roughead (Chief Executive)
Paul Bush (Director of Events)
Vicki Miller (Director of Marketing, Digital & Global Brand)
Ken Neilson (Director of Corporate Services)
Riddell Graham (Director of Industry and Destination Development)
- Erica Reid (Board Observer)
Fiona Carruthers
Robbie Clyde
Chris Greenwood
Lesley Whitehill
Nicola Farwell
- Apologies:**
- Minutes:** Pat Aitken

INTRODUCTIONS

1. The Chairman welcomed Board members to the meeting. There were no apologies noted.
2. The Board were asked to note the following:
 - i) April Strategy Awayday will take place at Fonab Castle Hotel, Pitlochry with a Board dinner taking place on the evening of Wednesday 24 April and Strategy Awayday taking place on Thursday 25 April.
 - ii) It had been previously envisaged that a dinner with STA Board members would take place prior to Strategy Awayday and Board members were advised that this would now be held post-meeting at a central location.

- iii) Following Board member feedback, the October Board meeting will now take place on Thursday 31 October in Aberdeen. The 5 September Board meeting will be held in Dumfries and Galloway (venue tbc).
 - iv) As previously intimated to Board members it was confirmed that a VisitScotland Staff Conference will take place on Thursday 24 October, EICC Edinburgh – Board members were asked to schedule this event in their diaries.
3. Chairman gave an overview of agenda and items for discussion at today's meeting. Any questions will be taken at the end.
 4. Board members were advised that first presentation will cover Staff Survey and it was noted that a Board only session would be held at end of meeting – L Jack would be asked to return for this discussion.

MINUTES OF THE BOARD MEETING HELD ON 24 January 2019

5. C Roxburgh referred to the reporting in paras 43/44/45 of the Minutes and advised that this was not an adequate reflection of the discussion on (i) Data and Security Breach (ii) Reportable Incident/Merger of suppliers.

Minute of the Board meeting held on 24 January was therefore updated to reflect true record.

6. Subject to the above changes the Minutes of the Board meeting held on 24 January 2019 were recorded as a true record of the meeting and approved.

CONFLICTS OF INTEREST

7. The Chairman highlighted reference/update on Scottish Clan Event funds. Noted that negotiations were carried out by Malcolm Sinclair but if members wished to discuss he would withdraw from the meeting.

MATTERS ARISING

8. **Solheim Cup (point 3)** – meeting noted that this would not be a separate discussion item but would be incorporated under Events – Future Direction.

STAFF SURVEY RESULTS

9. The Board were presented with 2018 Staff Survey Results by Lynn Jack, Head of HR and Fiona Carruthers, Insights Manager.
10. Board were advised that Staff Survey was managed in-house and 72% of staff had taken part overall. It was the 2nd consecutive year of the survey which mirrored the Civil Service People Survey.

11. General overview of questions in the survey were presented to Board members and noted that additional questions had been incorporated following-on from feedback of previous survey giving particular attention to :
- Leadership & Managing Change
 - My work
 - My manager

Other areas covered:

- Discrimination and Bullying
 - Taking Action
 - H&S
 - Organisational Culture
 - Plans for the Future
12. L Jack advised that results have been communicated to staff and outlined how the organisation will use the results .
13. Board members were shown “VS Way” video incorporating 6 C’s – Career/Care/Connect/Communicate/Clarity/Congratulate. The video will be used as a recruitment tool going forward.
14. Highlighted Oracle presentation taking place later in the meeting and highlighted a series of announcements being made to staff next week.
15. Following the Staff Survey presentation Board members then raised several questions in relation to results.
16. Meeting felt it important to get context of results correct – not binary answers.
17. Board keen to ensure more engagement with staff and this area to be addressed going forward.

EVENTS – FUTURE DIRECTION AND INNOVATION

18. Head of EventScotland presented to the Board and highlighted that there were 3 key questions he wanted to focus on during the presentation:
- i) Should EventScotland consider its policy on long term funding of events?
 - ii) Should we consider alternative funding mechanisms, evolving from grant funding to a risk/reward and/or sponsorship-based approach, including the creation and ownership of new events?
 - iii) Should we widen our rationale to support events beyond tourism impact, to help deliver wider public policy objectives?
19. The above should be looked at in context of (a) Future Funding Challenges (b) Event Models/Event Creation and (c) Delivering wider policy objectives.

20. Presentation highlighted implications for VisitScotland and Board of the view that current economic climate/economic impact/seasonality/commercialisation/policy/legacy/resources/funding should be addressed - there must be a Team Scotland approach. Agreement that further discussion needs to take place and that this item should be brought back to a future Board meeting. **Action – Board to discuss at a future meeting.**
21. Director of Events then gave Board members an update on 2023 UCI World Cycling Championships with strategic workstreams and timelines highlighted.

INSIGHTS ON OUR VISITORS

22. Following on from the presentation to January Board meeting (Insights on Customer Journey) today the Board received information on our visitors and how we are able to build a picture and develop our understanding across 3 core themes (i) Making connections (ii) Trying something new (iii) Active Listening.
23. The Board's attention was also drawn to the recently launched Local Tourism Industry Barometer (a collaborative effort involving LAs, DMOs, national industry groups and VS). The organisation now has three quarters of national, regional (not all areas) and sub-regional reporting available for all tourism businesses to access on visitscotland.org.
24. VisitScotland is also working with the Scottish Local Authorities Economic Develop group to identify how we can do further work to complete data gaps.
25. We are now planning a workshop with SLAED members to develop a series of Tourism Data Awareness Masterclasses and Case Studies. An approach has also been made to the Moffat Centre outlining our findings and we will be looking at opportunities to promote the SOAS.
26. The Board were then presented with hotel occupancy stats.
27. Information drawn from web usage gave the Board an understanding of pre-and post-trip behaviour of visitors and non-visitors which can help evaluate the influence of our marketing on conversion to make changes to improve this.
28. Organisation currently in discussions with external partners to exchange data which would be mutually beneficial and grow our depth of knowledge.
29. Board members referred to STEAM and also enquired if we liaise with Fraser of Allander.
30. Chief Executive referred to forthcoming meeting with Federation of Small Businesses and indicated that he would raise exchange of information at the meeting.
31. Director of Events also raised data for visitors at events and this had been discussed with SLAED. VisitScotland's Senior Insights Tourism Manager would like to take forward this area as a project in 2020 and it was agreed that discussion would take place offline.

32. General Data Protection Regulations were referred to and VisitScotland to ensure that Terms and Conditions are up to date.

FINANCIAL AND GOVERNANCE MATTERS

33. The meeting discussed the following:

i) Budget 2019/20:

PiD's have previously been circulated to Board members - details supplied under 4 areas a) Brand b) IT/EComms c) Innovation d) Key Enablers and meeting would look at total spend per category.

Board members were given an overview of budget with notification that there was an increase in ring-fenced budget and decrease in commercial income due to reduction in income from 3rd parties.

Reference to salary budget and challenge to keep income flat - hoping to address re retail. Specific comments made on ring fenced budget.

Board noted budgets per Directorate and variances and also reviewed capital budget breakdown.

Board members had specific comments on PiD's which will be brought back to a future Board meeting.

Board asked for clarification on 2020-2023 budget landscape and how it might look. Workforce management planning also highlighted.

The VisitScotland Board approved the 2019/20 budget.

ii) Procurement:

The Director of Corporate Services introduced a paper asking the Board to review and approve the following (with specific comment noted):

- a) Approval to Award - Marketing Automation Platform: approved.
- b) Approval to Award - Books & Maps (Retail) – approved.
- c) Application to Tender - Digital Capability for Intermediary Marketing – this is to ask Board to allow VisitScotland to obtain approval from Scottish Government to award this tender and, if approval given, this application would be brought back to a future Board meeting.

iii) Property:

- **Dunoon** – overview given and Board requested to approve sale of property to Scottish Natural Heritage – approved.
- **Ayr** – the Board were requested to approve the relocation of the Ayr local office – approved.
- **Edinburgh** – Board referred to mock-ups displayed in meeting room. Director of Industry, Destination & Development gave explanation of proposal and advised of timescales for work to be completed. The Board were asked for approval to transfer Training/Project/Office support accommodation to new premises. This would be a 5-year lease and confirmation was given that this move was required. The Board approved the proposal.
- **Glasgow** – noted that current lease ends in 2021. Skills Development Scotland are interested in taking over space currently occupied by VisitScotland. SDS have been in discussion with Scottish Government who have agreed proposal. VisitScotland have identified 3 potential alternative properties and preference was advised (5 year lease). The Board approved the recommendation subject to cost neutral agreement between VisitScotland and SDS.

iv) Oracle:

Board noted that the Oracle system went live in April. Director of Corporate Services gave an overview of how system is working within the organisation.

Head of HR gave a presentation on HR models as of 1 April – next launch will be Oracle Learning and a live demonstration was given.

The Board noted the report/presentation and were impressed with functionality of system. VisitScotland Audit & Risk Committee would be evaluating any risk.

v) Pensions:

VisitScotland is looking to obtain guarantee from Government for covenant which must be provided by the end of March. Organisation is seeking guidance and the Board noted the report and agreed way forward.

vi) BREXIT:

Audit Scotland have set out actions for organisations to take in preparing for EU withdrawal. The report provided the Board with a summary of preparatory work that has been carried out so far and was to provide the Board with a reassurance that VisitScotland is doing everything it could in readiness. It was noted that the organisation does not receive European Funding but could have currency exposure although this was a low risk.

Questions asked regarding Procurement (under EU regulations) and Board were advised that Scottish Government have indicated that current EU regulations would transfer across and become UK regulations. Scottish Government have also provided guidance regarding Oracle/Microsoft.

vii) **Finance Report & Key Performance Measures:**

Director of Corporate Services referred to the report and was happy to take any questions. The report was noted.

PAPERS FOR NOTING/DISCUSSION

CHIEF EXECUTIVE'S REPORT

34. The Chief Executive introduced a report on activity since the previous Board meeting. He drew particular attention to the following:

- i) The success of securing **2023 UCI Cycling World Championship** for Scotland by Events Directorate was recorded
- ii) **Scottish Thistle Awards** – the Board noted the award of The Silver Thistle to Willie Cameron
- iii) **Brand Scotland** – Director of Marketing and Digital noted the proposal that current steering group effectively become a Programme Board with new Terms of Reference for the Group. Particular reference was also given to a paper presented to the International Steering Group which indicated that the VisitScotland Chief Executive becomes the Chief Reporting Officer of the Programme Board.

Brand Scotland sits with two Government Ministers and VisitScotland CEO wants to highlight that he reports to VisitScotland Board and discussion needs to take place with the Board as there is potential for conflicts of interest.

Board members feel that VisitScotland needs to state its reasoned argument against the proposal and requested further detail.

- iv) **UKInbound** – attendance by both Chairman and Chief Executive at recent UKInbound conference had been welcomed.
- v) **BREXIT** – evidence received that cancellations are being experienced as a result of EU withdrawal.
- vi) **Mainstream Report** – to be provided to future Board meeting.

CHAIRMAN'S REPORT

35. The meeting advised that interviews for new Board members were nearing completion. 3 key questions were being used and interview panel were content that a range of candidates would be available to choose from. Consideration being given to appoint 2 candidates at present with a further Board member to be appointed later in the year.

36. Chairman had carried out a range of activity in Edinburgh in March and it was noted that 1:1 meetings with VS staff have been completed.

37. The Chairman's report was noted.

INFORMATION PAPERS

38. **Solheim Cup** - issue emerging re ticket sales. Audit being carried out shortly.

39. **Events Key Performance Report** – the Board noted the report.

40. **Insights Update** – the Board noted the report.

41. **Communications Report** – the Board noted the report.

42. **Corporate Services** – the Board noted the report.

43. **Schedule of Forthcoming Activity** – the Board noted the report.

ANY OTHER BUSINESS

44. There was no further business to note.