

Minutes of Meeting of the VisitScotland Board held on 23 January 2025 at Edinburgh International Conference Centre in Edinburgh and via video conference (Teams)

Present: Stephen Leckie (Chair)
Barbara Smith
Paul Easto
Keith Nicholson (MS Teams)
Lindsey Paterson
Steven Walker
Cara Aitchison

In attendance: Vicki Miller (Chief Executive Officer)
Ken Neilson (Director of Corporate Services)
Rob Dickson (Director of Industry and Events)
Jill Walker (Director of Marketing and Digital) (MS Teams)
Cat Leaver (Director of Strategy and Competitive Intelligence)
Lynn Jack (Head of People and Culture)
Emma Hallington (Senior Advisor to CEO)

Apologies: Shona Marsh

Minutes: Emma Hallington

INTRODUCTIONS

1. The Chair welcomed the attendees to the hybrid meeting.
2. The Board noted and welcomed the updated format of the CEO Report as well as the updates to the board pack including the addition of page numbers to the agenda and clearly separating papers into those for approval, discussion or information.

MINUTES OF THE BOARD MEETING HELD ON 5 DECEMBER 2024

3. The Board agreed updates to Audit and Risk Committee note and AOB in the minutes of the December meeting. With these updates, minutes of the Board meeting held on 5 December were approved as a true and accurate record of the meeting.

CONFLICTS OF INTEREST

4. No conflicts of interest were raised for this meeting.
5. The Chair noted that Board members were required to provide their annual update on their Register of Interests. VisitScotland will circulate documentation.

ACTION: VisitScotland to circulate Register of Interests Form for Board members to complete

MATTERS ARISING

6. The Director of Corporate Services noted that there had been no response to date from HMRC in relation to ongoing query.
7. The Director of Strategy and Competitive Intelligence noted that the matter relating to Measurement KPIs and framework will be covered at the March Board meeting in detail.
8. It was noted that all other matters arising are completed or covered during today's meeting.

BUDGET REFORECAST AND HIGH-LEVEL BREAKDOWN OF 25/26 BUDGET

9. The Financial Planning and Analysis Manager updated the Board on the 2025/26 budget position and the work undertaken to date. The Board was also updated on the 2024/25 re-forecast position which was presented to the Board in December.
10. The Financial Planning and Analysis Manager updated the Board on the process undertaken to develop the proposed allocation of 2025/26 budget; this included a robust review of fixed costs across the organisation. The Executive Leadership Group has agreed priorities for the allocation of core budget with priority given to investment in Marketing and Events. Detailed proposals would come to the March Board meeting.
11. The Financial Planning and Analysis Manager also updated the Board on the 2024/25 re-forecast. Following the closure of the Voluntary Redundancy Programme for 2024/25 it was noted that residual funds were now able to be reinstated to activities which had been cut during the year. The Board approved the reinstatement of funds into Marketing and Events.
12. The Board thanked the team for their work to date on the financial planning. They discussed the importance of ensuring clarity when communicating the allocation of budget, and wanted to ensure that VisitScotland can present a budget which shows our commitment to investing in activities that will drive new incremental economic activity.
13. The Chief Executive stated that this is being taken into consideration and any presentation or reporting of the budget will ensure a clear picture of the total investment being made in Marketing and Events to include people and activity budgets. The Chief Executive also noted that the strategic focus on Place and Business and Experience Development and the work we do with industry partners is also critical to creating a successful must visit destination, creating the right product to take to market.
14. The Board also noted the significant progress made on the Strategic Change programme in driving operational efficiencies which has resulted in a more positive budget position for 2025/26. Progress to date has been noted positively by Scottish Government as it continues to prioritise public service reform. The Chief Executive Officer noted that the final budget proposal would be brought to the March Board meeting.

The Board approved the proposed reinstatement to Marketing and Events following 2024/25 reforecast

The Board noted the update on the 2025/26 budget

ACTION: VisitScotland to bring final 2025/26 budget to the March meeting for approval

POLICIES FOR APPROVAL

15. The Director of Corporate Services presented two policies for approval and three policies for the Board to consider until the next Board meeting
16. It was noted that the policies were available on SharePoint, and that the Board would be asked to review and approve the presented policies for consideration at the next Board Meeting.

For approval:

- Generative AI Policy
- Resourcing Policy

For consideration:

- Staff Badge Policy
- Excess Fares Policy
- Bullying and Harassment Policy

The Board approved the Generative AI Policy and the Resourcing Policy and noted the above policies for consideration.

CHAIR REPORT

17. The Chair provided the Board with an update on his recent VisitScotland activities, highlighting the latest VisitBritain Board Meeting, as well as a meeting with the Tourism Minister and other political meetings that he attended along with the Chief Executive Officer.
18. The Chair noted that he would be reaching out to the Board with the support of the Head of People and Culture to begin the appraisal process.

The Board noted the Chair Report update

ACTION: The Chair with the support of the Head of People and Culture to complete the annual appraisal process in the Spring.

CEO REPORT

19. The Chief Executive Officer introduced the CEO Report and invited the Board to provide any feedback on the format and content of the paper.
20. The Chief Executive Officer provided an update on the cumulative visitor volume/value figures available for the first six months of 2024. These highlight that while international tourism statistics are positive, this is being driven primarily by the North American market with Europe remaining flat. There continues to be strong interest in Scotland from international markets, but price competitiveness is a concern continuing to be raised by Travel Trade and requires further analysis. The domestic market continues to show a decline as a result of cost-of-living pressures and this is not predicted to change in the immediate term. The cumulative position therefore shows a reduction in trips, nights and spend.
21. The Chief Executive also highlighted that current business confidence levels for 2025 are mixed with concerns around the introduction of a visitor levy being raised given the current

economic climate.

22. The Board discussed the potential impact the Visitor Levy will have on Scotland's competitiveness, noting the importance of not considering the impact of the Visitor Levy in isolation, business needs and visitor satisfaction are also critical. The Board noted VisitScotland's role to ensure that Local Authorities consider the full picture during any Visitor Levy consultations. The Chief Executive agreed to share updated Visitor Levy communication lines with the Board.
23. The Chief Executive Officer updated the Board on the proposed agenda for the Strategy Away Day in April which would be a key milestone for the Strategic Change Programme.

The Board noted the CEO Report update

ACTION: The Chief Executive to share updated Visitor Levy communication lines with the Board.

VISITOR ECONOMY OVERVIEW – TAY REGION

24. The Destination Development Director – Central, NE and SW presented an overview the Visitor Economy in the Tay Region. This included key economic data for the area, an overview of the regional economic strategy, key investments and future potential challenges and opportunities.
25. The Destination Development Director provided an overview of the work VisitScotland was doing to support the destination in key areas of Market Development, Place Development and Business and Experience Development, highlighting the important leadership role we have.
26. The Board noted the update and discussed the role of VisitScotland in the development of long-term regional strategic investments and the opportunities these offer from a visitor economy perspective.

The Board noted the update

CORPORATE PLAN CONTENT REVIEW

27. The Director of Strategy and Competitive Intelligence updated the Board on the refreshed content for the Corporate Plan and invited feedback. The content has been re-drafted aligned to the refreshed strategic framework, positioning VisitScotland as an Economic Growth Agency for the Visitor Economy focusing on Market Development, Place Development and Business and Experience Development. The addition of Organisation Development as a key pillar was noted.
28. The Board discussed the updated content and agreed that the structure was more impactful, and the narrative was more focused. The Board discussed the use of retrospective data and insights in the forward-looking part of the document and suggested this could be repositioned.
29. The Board requested that we ensure that the document clearly articulates what VisitScotland can deliver with the right investment. It was also noted that visuals that talk to the key pillars

should clearly show that all are interconnected and equal in importance.

30. The Director of Strategy and Competitive Intelligence noted the intention is to link out to key measurement and impact reports from the document to allow these to continue to evolve and be up to date. It was noted that the final version of the Corporate Plan will be brought to the March board meeting for approval.

ACTION: VisitScotland to make suggested amends to Corporate Plan content

ACTION: Final Corporate Plan to be brought to March board meeting for approval

STRATEGIC CHANGE PROGRAMME UPDATE

31. The Chief Executive Officer updated the Board on the progress of the Strategic Change Programme workstreams, referring to the Strategic Change Programme Highlight Report included in the board pack.
32. The Chief Executive Officer noted that all forward looking workstreams would provide final recommendations for the April Board strategy day, this includes the Data Strategy, People and Culture, Events Review and the future of visitScotland.com workstream.
33. The progress on the implementation of VisitScotland's refreshed approach to the delivery of Business Support was highlighted with the new support structure in place and the new online Business Support Hub launching in April, the primary channel for VisitScotland's wider Business Support Programme.
34. The Chief Executive Officer noted that a timeline had been agreed for each directorate to review current structures and cross-organisation consultation has begun on the refreshed People Strategy.
35. The Board discussed the organisation's wider workforce planning programme and the tools available; it was noted that the closure of the iCentres and the Quality schemes had created a pool of staff in Tasks and Projects. The Board asked the Chief Executive to continue to explore all options in relation to workforce management, noting that nothing should be off the table given the considerable pressure on the organisation's budget and the implications for the organisation should it not be able to fulfil its statutory responsibilities and its core purpose to drive the visitor economy.
36. The Chief Executive updated the Board on conversations with Scottish Government on public service reform which included discussion on workforce management. This was expected to be a focus of the Public Service Reform summit to be hosted by Ivan McKee which the Chair had been invited to attend. An update would be provided in March on any outcomes of the summit and ongoing discussions with Scottish Government on reform including workforce management.

ACTION: Recommendations from all outstanding workstreams to come to the April Strategy Day for discussion

ACTION: Chair and Chief Executive to update on discussions with Scottish Government

TECHNICAL INFRASTRUCTURE REVIEW UPDATE

37. The Director of Corporate Services updated the Board on the Technical Infrastructure Review. This workstream was initiated to support our digital first approach. Phase 1 of this project focused on a review of all our technical assets and completing a cost/benefit analysis for each. Phase 2 will include the assessment of additional technical recommendations that come out of other workstreams as well as incorporating work and recommendations of the AI Steering Group to understand the opportunities with regards to AI and how these could be implemented across the organisation.
38. The Director of Corporate Services noted that multiple systems and platforms used across the organisation has been considered under criteria including potential for efficiencies from both a cost and process perspective, resource requirements, alignment with roadmap, value and impact of in-action.
39. The focus will now be on Phase 1 deliverables, it was noted spend reduction across these areas will be limited due to well controlled functions. However, there are some small savings that can be realised, and these have been scheduled in the workplan.

The Board noted the progress of the Technical Infrastructure workstream

EVENT SCOTLAND REVIEW UPDATE

40. The Director of Industry and Events updated the Board on the status of the Event Scotland Review, highlighting a number of developments that have impacted the scope of the initial Events workstream of the Strategic Change Programme. These include the agreement for Glasgow to host the 2026 Commonwealth Games and Scottish Government's desire to develop the portfolio approach outlined in Scotland Perfect Stage Strategy by developing a pipeline of major events until 2025.
41. The Chief Executive Officer and the Director of Industry and Events are meeting Stakeholders from the Scottish Government Major Events Team, Creative Scotland and others key organisations to understand roles and responsibilities across the sector to deliver Scotland the Perfect Stage.
42. The Director of Industry and Events highlighted that a key aspect of the review will focus on measurement and impact, there is an acknowledgment that for the level of investment more robust measurement frameworks must be developed.
43. In addition, the team are undertaking more detailed analysis of VisitScotland's funding programmes and impacts. Consideration will be given to what this means for any future funding given the changing landscape, the ambitions of the national strategy and the importance of Events in supporting place development. The Director of Industry and Events also noted the importance of infrastructure investment to deliver on the strategy ambitions. The findings and recommendations of this review will be brought to the Strategy away day for discussion, thereafter an implementation plan will then be brought to the September Board for consideration.

The Board agreed with approach and noted the update

FINANCE AND BUSINESS PERFORMANCE REPORT

44. The Director of Corporate Services introduced the Finance and Business Performance Report and noted that the earlier presentation on the 2024/25 reforecast had effectively reviewed the report. The Board was asked to note the internal sustainability reporting that had been developed. There were no further queries from the Board.

The Board noted the Finance and Business Performance Report

AOB

45. The Board noted the updated Board planner for 2025, noting the update to the location for the April Strategy meeting.
46. The CEO offered the Board the opportunity to attend VisitScotland Connect, taking place in April.

ACTION: VisitScotland to circulate information and dates of VisitScotland Connect for Board members to confirm attendance.

CLOSE

Thereafter, the meeting was brought to a close.