

Minutes of Meeting of the VisitScotland Board held on 3 June 2021 by video conference

- Present:** John Thurso (Chairman)
Anne Anderson
Caroline Roxburgh
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) (until 11am)
Ken Neilson (Director of Corporate Services)
Robbie Clyde (Head of EventScotland)
- 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 Stephen Hagan and Paul Bush were noted. It was advised that Robbie Clyde was attending the meeting in Paul Bush's place. It was noted that the Director of Industry and Destination Development would leave the meeting at 11am to chair the STERG meeting and therefore the agenda would be taken in a slightly different order to accommodate.
2. The Chairman advised that there would be two presentations during the meeting, one on the Responsible Tourism Strategy and the other on the Strategic Framework. It was advised that both these presentations were intended to allow Board members to feedback comments prior to having a detailed discussion on the topics at the Board Strategy Away Day in July.

MINUTES OF THE BOARD MEETING HELD 29 APRIL 2021

3. The minutes of the Board meeting held on 29 April 2021 were approved as a true and accurate record of the meeting.

CONFLICTS OF INTEREST

4. No new conflicts of interest were advised.

MATTERS ARISING

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

RESPONSIBLE TOURISM STRATEGY

6. The Director of Industry and Destination Development advised that the purpose of today's presentation was to set the context for the July Board meeting by taking Board members through a draft Responsible Tourism Strategy. It was noted that a much fuller and more detailed discussion around Responsible Tourism and climate change would take place at the Strategy Day in July.
7. The Director of Industry and Destination Development noted that some of the factors which needed to be considered around this topic for tourism in Scotland were over tourism, climate change, biodiversity loss, impact of COVID-19 and changing consumer trends. COVID-19 has had an unprecedented impact on travel and tourism globally, including the tourism, hospitality, and events sector in Scotland. Many of the impacts will be felt for years to come and potentially have an influence on the future shape of tourism. It was commented that the impact of COVID-19 had forced people to re-evaluate their values and perspectives.
8. In considering what the "next normal" would look like, it was noted that the focus would likely shift from 'tourists to travellers', from 'consumption to purposefulness', and from 'transactional to transformational travel'. It was commented that visitors were increasingly looking for travel experiences that would allow them to see the 'real destination' and interact with the local community. It was noted that a move towards value rather than volume was expected and that there is an opportunity to reset our relationship with tourism and build a responsible offering.
9. It was advised that VisitScotland's draft Responsible Tourism Strategy had at its core the Scotland Outlook 2030 Strategy and the Tourism Recovery Plan which was currently being developed. It was noted that there are a wide range of other government policies, strategies, as well as legislative requirements that inform and influence the strategy and the resulting activities. It was further noted that the Responsible Tourism strategy would need to fit within the context of the overall VisitScotland Strategic Framework, which was a topic for today's and July's meeting too. It was advised that the economic, social, and environmental impacts of tourism had to be considered in this context, maximizing the

positive impacts, and minimizing the negative ones. The shift from a market led model to a community led model was commented on.

10. VisitScotland's Responsible Tourism ambition was outlined, together with the key Responsible Tourism priorities for VisitScotland. It was noted that this area provided VisitScotland with an opportunity to influence the wider agenda and show leadership. It was advised that these priorities made up the strategic pillars for Responsible Tourism in Scotland within the draft strategy. An overview of the areas of activity that were likely to support each pillar was provided to the Board. It was noted that it was necessary to identify where VisitScotland could effect change, its areas of influence, and the general approach it would take to drive activity in the priority areas for responsible tourism in Scotland. It was advised that VisitScotland would play a lead role in the development of responsible tourism through taking direct action on issues under its control, as well as encouraging and supporting responsible tourism development externally.
11. It was commented that a key challenge for the organisation would be around prioritisation, and that an insights led approach, working collaboratively with partners and communities, and strong and consistent communications were seen as key enablers to underpin the delivery of the Responsible Tourism Strategy. The Director of Industry and Destination Development requested comments from the Board on the draft strategy and approval of the direction of travel.
12. The Board commented that they were content with the direction of travel and thanked the team for their work to develop the draft strategy. The Board acknowledged that now the strategy was coming together, achieving the next steps would be a more difficult exercise. There followed a wide-ranging discussion, with the Board providing feedback as follows:
 - Consideration required in relation to the role of DMOs and other partners – need partners to deliver otherwise risk the visitor experience not meeting expectations.
 - More information required to determine prioritisation – materiality/significance of impact to be set out, along with the critical partners needed for delivery to help inform where prioritisation needs to be to reach bigger goals.
 - Timeline to be considered and published – travel trade working in advance so timeline would be helpful for industry.
 - Thistle Awards provide a good opportunity to influence industry/trade.
 - Need to be more assertive around the management of over tourism – VisitScotland can provide leadership in this area.
 - Would be helpful to see any research modelling already conducted on climate change.
 - Consideration to be given to any upcoming legislative programmes in this area; and
 - Who do we mean when we refer to 'communities' and, once identified, what are the messages to be shared with communities?

13. The Director of Industry and Destination Development thanked Board members for their feedback and noted that the points raised were helpful in advance of the July meeting.

INDUSTRY AND DESTINATION DEVELOPMENT

14. The Director of Industry and Destination Development introduced the Industry and Destination Development Report. An update on STERG was provided, noting that discussions had moved away from funding to focus on: the need for ongoing support; the impacts of the physical distancing measures; underspend from the various funds; lack of availability of staff for the sector; the return of international visitors; and agritourism. It was advised that VisitScotland would be receiving some of the budget under the Net Zero Pathway Project, which Scottish Enterprise is leading on, to provide assistance and support for that project to 'green' the Scotland product.
15. It was noted that there had been ten applications received for the Strategic Infrastructure Fund feasibility studies, from a combination of local authorities and national park authorities. It was further noted that there had been 32,000 visitors across the iCentres in May, with preparation for the relocation of the Dundee iCentre underway. An update on the results from Scotland Reconnect was provided to the Board.
16. The Board asked about Phase 2 of the funding recovery programme, including the STERG recovery programme. It was noted that a more detailed update would be provided later in the meeting. It was advised that a report is currently being prepared for submission to Cabinet by the end of June to set out what industry needs in terms of a recovery programme and the impacts for the longer-term tourism strategy. It was advised that once the report is prepared, a copy will be shared with the Board. The Director of Marketing, Digital and Brand noted that industry was still very much thinking about survival rather than recovery. It was advised that there would be other areas bidding for support from Government. The importance of support for industry in tourism and events was noted, including developing skills and incorporating the responsible tourism piece. The Board noted the tight timescales and confirmed that this and the responsible tourism work should sit together.

ACTION: Management to share Recovery Programme report with the Board in due course.

DRAFT OF STRATEGIC FRAMEWORK

17. The Chairman and Chief Executive provided the Board with an overview of their recent meeting with the Minister for Business, Trade, Tourism and Enterprise. It was noted that the Minister had been provided with a copy of VisitScotland's updated draft of the Strategic Framework and that an overview of the organisation had been provided, as well as setting out the opportunities for tourism. It was noted that the Minister for Culture, Europe and International Development had events within their portfolio. It was noted that the new

tourism team were supportive of VisitScotland's direction of travel and endorsed the general principles included in the update Strategic Framework document.

18. The Chief Executive provided an overview of the updated draft of the Strategic Framework document, noting that this would be a topic for further discussion by the Board in July. It was advised that Responsible Tourism was at the core of the framework. It was noted that no transformation projects were included on the framework, with the projects either being strategic or business as usual projects, which was testament to the hard work of the teams over the last couple of years. It was noted that the key performance indicators were still to be finalised once the letter of strategic guidance had been received.
19. The Board commented that economic, responsible, and sustainable recovery should be at the centre of VisitScotland's Strategic Framework. It was further noted that technology would play a vital role in delivering the Responsible Tourism outcomes. It was advised that there would likely be more clarity from the taskforce in advance of the July meeting to help inform the conversation.

CHIEF EXECUTIVE REPORT

20. The Chief Executive highlighted some of the challenges which the industry still faced, including lack of consistency around communications. It was advised that confidence levels within industry and visitors was growing but that this was subject to news coverage. It was noted that airports and airlines were seeking clarification for re-starting to allow time to retrain staff and ensure supply chains were in place. It was noted that good lead in times were required for that sector but that the changing picture in terms of travel and cases made this challenging.
21. The Chief Executive advised that he had written to all MSPs to congratulate them, with the offer to take them through the visitor economy, national and local picture and VisitScotland. It was noted that work continues with City Deals and Regional Economic Partnerships across the country and that a number of projects were emerging from the various negotiations and consultations.
22. It was highlighted that further conversations needed to take place following the anti-social behaviour seen in Arisaig earlier in the week. It was advised that although this was a localised issue, more needed to be done to advise the Cabinet Secretary of the work which had already been done in this area, to highlight that various public bodies were currently making money available within their budgets to cover this activity but that as this activity is not 'owned' within Government, it needed to be addressed to ensure the responsibility was taken on by appropriate agencies going forward.
23. It was advised that interviews for the Head of Corporate Communications role were still taking place with a decision expected soon. An update on HR matters was provided to the

Board, noting that personal development time amongst staff was up and that the People Strategy would be brought to the Board Strategy Day in July.

24. The Chief Executive talked through the points arising from the Insights paper. It was noted that the vaccine roll out had helped to reassure people and that VisitScotland would continue to track sentiment and feed that back to the Scottish Government. In relation to accommodation, it was advised that more time was needed to gather meaningful data and that this was unlikely to be until we were back to some form of reality. However, it was highlighted that people seemed to be booking both overseas and Scottish holidays for the same week and making a decision in the days immediately prior to travel which one to cancel. It was noted that this then left businesses with properties/rooms unused.
25. There was a comment from the Board that it was now too late for international travel to Scotland in 2021. It was further noted that while the funding packages had helped in Scotland, it was questioned whether there was any update around an international marketing funding programme to reposition Scotland in 2022 to ensure that Scotland's market share was not lost going forward. It was noted that any further funding programmes would require to be evidenced fully to demonstrate the need but there had been no indication of whether funding would be made available at this stage.

MARKETING, DIGITAL AND BRAND SCOTLAND REPORT

26. The Director of Marketing Digital and Brand took the Board through the Marketing Update Report. It was noted that the report provided an update on the results of the campaigns that ran at the start of the year including the Responsible Tourism campaign, UK domestic campaign and the Europe Brand Building campaign. It was advised that the team were currently planning for a new domestic campaign to launch in June and an international campaign to launch in late August/Sept. In the current period, the team continue to run very targeted digital marketing activity to drive interest in and bookings to the sectors and destinations that are reporting lower occupancy/visits. It was noted that UK traffic to visitScotland.com is up 15% on 2019 levels which was encouraging. It was advised that a significant effort was being focused on the cities as they continue to see lower demand. It was noted that an influencer programme to showcase the cities, a partnership with Expedia to promote city breaks, along with new inspirational city break films were all planned to ensure momentum was maintained.
27. It was advised that a new Responsible Tourism toolkit for partners and industry was being developed with content to tackle the ongoing issues around countryside access and promoting responsible camping and motorhoming, along with new issues around topics like water safety and mountain safety. Messaging is being increased in the run up to warm weather and bank holiday weekends to encourage people to plan ahead and follow responsible guidelines.
28. An update was provided on the work which is already underway on the delivery of the STERG recovery projects. It was advised that the project had been established via the

Portfolio Office, with all projects having their own project plans & business case. There was a discussion around the Data Observatory Project and an overview of the objectives of the project were provided. It was noted that this could be very expensive, and Management confirmed that this was acknowledged and would be made clear to the Scottish Government when presenting options. It was noted that the Destination and Sector Marketing Fund had now been launched and was open to applications.

EVENTS

29. The Head of Events presented the Events Report to the Board. It was noted that a new Minister had been appointed for Events but that there had not yet been an opportunity to meet with the new Minister. An update was provided in relation to the Euro 2020 matches at Hampden. It was advised that the planning had gone well but that there had been concerns about the fan zone, with Glasgow only just being put into Level 2. It was advised that when the fan zone area was approved, it was believed that Glasgow would be in Level 1. It was noted that a crowd capacity of 16,500 had been agreed for the Lions warm up match at Murrayfield and plans for the Edinburgh International Festival had also been approved. An update on the Edinburgh Fringe Festival and other gateway events was also provided.
30. It was advised that a review of the physical distancing measures was expected in late summer/autumn with the hope that the recommendation for events would match the one metre distancing which had been agreed for hospitality. It was noted that an update on testing/proof of vaccination status for event attendance was expected from the Scottish Government at the end of June, noting that event associations were part of this conversation.
31. An update on the events related funding was provided to the Board and it was noted that the Scottish Events Recovery Fund (SERF) had been paused to get a sense of commitments to the end of the year but that additional funding would likely be required.
32. The 2023 Cycling World Championships paper was taken as read. The Board were reminded that in line with the delegated authority put in place for VisitScotland's subsidiary company, any changes to the Governance Manual had to be agreed by the VisitScotland Board. The proposed changes were summarised to the Board, noting that senior leaders from Police Scotland and Transport Scotland had been invited to Cabinet meetings as non-voting members and to attend 2023 Cycling World Championships Limited's Board meetings as observers. It was further noted that the Vaccination Policy would be added to the list of Policies within the Governance Manual if approved at today's meeting, and that the Audit and Risk Committee and Joint Partnership Committee Terms of Reference had been added to the Governance Manual following approval at previous VisitScotland Board meetings.

Following consideration of the proposed amendment, the Board approved the changes to the Governance Manual for 2023 Cycling World Championships Limited.

33. The Board commented on the importance of early engagement with Local Authorities and communities and Management noted that this would be passed to the Chief Executive of 2023 Cycling World Championships Limited.

ACTION: Management to pass this action to the Chief Executive of 2023 Cycling World Championships Limited – ensure early engagement with Local Authorities and communities.

CORPORATE SERVICES – OPERATIONS UPDATE

34. The Director of Corporate Services took the Board through the Operations Update paper and highlighted four points. It was noted that Management were currently reviewing the recent AuditScotland “Cybercrime: A strategic risk that needs the attention of board” report. It was noted that this would be a topic for discussion at the next Audit and Risk Committee meeting.

ACTION: include discussion of AuditScotland’s cybercrime report and the best practice suggested in that report on the agenda of the next Audit and Risk Committee meeting.

35. It was advised that a response to the Board’s question on frequency of data backup had been included in the Operations Update. It was noted that work was ongoing to install the new EPoS system across the iCentre network, with the new system expected to go live in the Edinburgh iCentre next week. It was highlighted that there were two procurement matters which would be taken to the July Audit and Risk Committee and subject to the Committee’s recommendation, would come to the Board in July for approval.

FINANCIAL AND GOVERNANCE MATTERS

BUSINESS SUPPORT GRANT UPDATE

36. The Director of Corporate Services advised that £73.1m had now been paid to businesses by VisitScotland through the funds which it is administered. It was noted that a summary of progress was contained within the paper and a further update on phase two of the funding work was provided.

FINANCE AND RISK

37. The Finance and Risk paper was taken as read. It was noted that VisitScotland had submitted the required data for the 20/21 National Fraud Initiative exercise. It was advised that the timetable for the Annual Report and Financial Statements remained the same and no changes had been made since it was presented to the Board at a previous meeting. The Director of Corporate Services highlighted the work of the Risk Management Committee, noting that the Committee ensured the ongoing review and update of the Corporate Risk Register and its detail on a regular basis.

PROPERTY MATTERS – EDINBURGH OFFICE

38. It was advised that Management had now received feedback from the Scottish Government on the paper which had been put forward regarding VisitScotland's Edinburgh Office. It was advised that Scottish Government had provided some feedback and that Management would now consider the feedback and carry out an analysis exercise. The Board commented on the importance of ensuring that minimising the organisation's carbon footprint was looked at as part of this exercise.

POLICIES

POLICY ROADMAP UPDATE

39. The Director of Corporate Services advised that policy activity had been paused while the funding programme was underway. The Board noted that it was intended that all policies which were due to be presented to the Board this year still would be, and they would be presented later in the year.

PENSIONS POLICY

40. The Director of Corporate Services introduced the Pensions Policy to the Board. It was noted that the updated policy sought to put in place work which had been ongoing for some time. The Board commented that the language used within the policy could be difficult for non-experts to understand and suggested that a shorter form document with a glossary be prepared for staff which was easier to read. The Board noted the importance of having the statement of policy which included the technical details.

Board approved the Pensions Policy.

ACTION: Management to produce a short form 'easy to read' policy guidance document with glossary to accompany the Pensions Policy.

VACCINATION AND TESTING POLICY

41. It was advised that the Vaccination and Testing Policy was a new policy to cover the medical and related legal advice around COVID-19 vaccination and testing. It was noted that this area was constantly evolving and therefore it was anticipated that this policy would be updated as required over the next weeks and months.

The Board commented that this was an important piece of work and approved the new Vaccination and Testing Policy, acknowledging that it would be updated as required over the coming weeks.

MATERNITY POLICY

42. It was advised that the existing Maternity Policy had been amended to reflect new Government and HSE advice to enable pregnant people to work from home after 28 weeks of pregnancy. The Board requested that the “Relationship with other VisitScotland Policies” section be added into the Maternity Policy.

The Board approved the Maternity Policy subject to the “Relationship with other VisitScotland Policies” section being added.

BUSINESS CONTINUITY UPDATE

43. The Business Continuity paper was taken as read.

AOB

44. A brief update on planning for the July Strategy Away Day was provided and it was noted that further information would be made available in due course.

CLOSE

45. Thereafter, the meeting was brought to a close.