

CONFIDENTIAL

**MINUTES OF THE 454TH MEETING OF THE BRITISH TOURIST AUTHORITY (BTA) BOARD
HELD ON TUESDAY 30TH MARCH 2021 AT 10:00 VIA TELECONFERENCE**

Present:

Rt Hon Lord McLoughlin CH	BTA Chairman
Nick de Bois	Board Member / VisitEngland Advisory Board Chairman (ex-officio)
Katy Best	Northern Ireland Tourist Board (observer)
Ian Edwards	Board Member / Wales Representative (ex-officio)
Robin Frewer	Board Member
Peter Gowers	Board Member
Carol Hui	Board Member / Audit & Risk Committee Chair
Dame Judith Macgregor	Board Member / Remuneration & People Performance Committee Chair
Duncan Parish	Deputy Director of Tourism and Cultural Diplomacy, DCMS (observer)
Karin Sheppard	Board Member
Mark Taylor	London and Partners (observer)
Rt Hon Viscount Thurso	Board Member / VisitScotland Chairman (ex-officio)

In Attendance:

Sally Balcombe	Chief Executive / Accounting Officer
Debra Lang	Director of People and Transformation
Peter Mills	Business Services & Finance Director
Andrew Stokes	England Director
Patricia Yates	Director of Strategy & Communications
Tim Pemberton	Deputy Director of Finance
Kerrin MacPhie	Head of Business Events (agenda item 12)
Henry Bankes	General Counsel and Company Secretary
Dale Rustige	Governance Executive (minutes)

Agenda Item 1. Chairman's Update and Introductions

1. The Chairman welcomed the BTA Board to the meeting.

Agenda Item 2: Apologies

2. There were no apologies to note.

Agenda Item 3: Declarations of Interest/Conflicts

3. There were no new declarations of interest to note.

Agenda Item 4: Minutes of the Last Meeting

4. The minutes of the meeting held on 26 January 2021 were approved.

Agenda Item 5: Matters Arising / Action Tracker

5. There were no matters arising or actions due.

STRATEGY, PERFORMANCE AND OUTLOOK

Agenda Item 6: CEO Report and BTA Dashboard

6. The Board noted the BTA Dashboard paper and took this as read. Sally Balcombe provide a verbal update and the following key points were noted:
 - 6.1. PASS form approval had been achieved for the first half of the year. Sally thanked DCMS and Duncan Parish in particular for the help and support on getting this across the line.
 - 6.2. The redundancy programme is currently under consultation, with DCMS involved in the process. It was noted that every step had been taken to reduce the need to make redundancies. Most ALBs have had to review their workforce capacity and make reductions, particularly on the retail side due to a drop in demand as a result of Covid-19. The budgets for FY 2021/22 has been streamlined and cost reductions have been made where possible, but the budget would still be very tight.
 - 6.3. The arrangements for TXGB is under review following the supplier of the software platform suffering severe financial impact during the Covid pandemic. The BTA is working to identify potential government relief that could be offered to the supplier. This matter has been flagged as a high risk and the matter was subsequently discussed at the Audit & Risk Committee (ARC). The Board was informed the business case being developed will be put through stress tests to ensure that risks are carefully managed with appropriate mitigations. Two BTA Board members are currently providing specialist guidance to the BTA teams on this work. The platform is an important tool which provides the industry and SMEs a platform to get to market and offer bookable products.
 - 6.4. Compliance work is being undertaken on VisitBritain's India subsidiary, as a result of historical issues recently coming to light. The ARC will be kept up-to-date on the progress and the Board will be updated accordingly.

Agenda Item 7: Update on the Government Tourism Recovery Plan

7. The Board received a verbal update from Duncan Parish and noted the slides he had shared during the meeting. The following key points were noted:
 - 7.1. The government intends to publish its Tourism Recovery Plan in May 2021.
 - 7.2. The key aims of the plan will be:
 - A swift recovery following the Covid-19 pandemic across all tourism sectors;
 - Year-on-year growth for both domestic and inbound visitor spend;
 - A more resilient industry;
 - A more productive and innovative sector, making full use of tech and data.
 - 7.3. The BTA will be a key asset in driving recovery and there are a number of proposals that will need its expertise and support. A key area will be pushing for advocacy work by government for the business events sector.
 - 7.4. The vision of the plan is for it to be government-led during the initial stages, then transitioning towards being more industry-led during the later stages.
 - 7.5. Duncan noted that as the plan progresses further, he would be happy to set up a special meeting for the Board as an opportunity to provide input and feedback.
8. The Board had made various comments and was noted as follows:
 - 8.1. Messaging is a key area that will need focus, particularly showcasing Britain's tourism offering and level of safety.
 - 8.2. The redevelopment of the GREAT brand will be incorporated into the plan.
 - 8.3. It was acknowledged that there continues to be an ongoing issue on insurance underwriting relating to Covid-19. Duncan noted that discussions have been ongoing within Treasury in relation to this.

- 8.4. The £10m voucher scheme from the National Lottery was discussed and was welcomed as a great initiative. It was noted that this was not government money, but would be funded by the National Lottery if it goes ahead.
- 8.5. Grant funding for local business has been launched and distribution will be through local authorities.

Agenda Item 8: Covid Reponse/Update

9. The Board received a verbal update from Patricia and the following key points were noted:
 - 9.1. A big policy area that the BTA has recently been involved in is the development of the Tourism Recovery Plan.
 - 9.2. Another big policy area is the review underway for Destination Management Organisations (DMOs), which is being led by Nick de Bois.
 - 9.3. There is a traffic light system under review and development for inbound tourism. The data and processes are still under review.
 - 9.4. TIER meetings have been ongoing, with a focus on recovery timelines and challenges at the recent meeting.

CORPORATE MATTERS

Agenda Item 9: Financial Update (including Budget Sign-off)

10. The Board noted the Finance Update paper, which was taken as read. Peter Mills provided a verbal update in reference to the papers and the following points were noted:
 - 10.1. The BTA's Single Tender Action (STA) threshold has been increased following a positive review by the DCMS commercial team; assurances were noted on the compliance of the BTA's processes for STAs.
 - 10.2. A review of the investments strategy for the pensions was undertaken and arrangements were found to be satisfactory.
 - 10.3. The Board was provided with an overview of the current financial position of the quarterly budget. There was some underspend in the overall budget and some of this had been redistributed towards other areas, such as the capital budget.
 - 10.4. There had been some extra spend required as a result of overheads from the accommodation move.
 - 10.5. The 2021/22 BTA Management Agreement is currently with the Secretary of State's office for sign off.
11. The Board noted the Business Planning FY 2021/22 paper and took this as read. Patricia Yates and Peter Mills provided a verbal update in reference to the paper:
 - 11.1. The two main principles that had underpinned the planning were on prioritising immediate recovery and transformation and retaining flexibility to pivot to greatest opportunities.
 - 11.2. The four corporate priorities for FY 2021/22 are:
 - 11.2.1. Re-stimulate International and Domestic Demand
 - 11.2.2. Support the English Tourism Industry
 - 11.2.3. Be the Authority on Tourism
 - 11.2.4. Deliver Transformation
 - 11.3. The Board noted a detailed view of the funding streams for VB Core, VE Core, GREAT, and other pots and how these were distributed across the four different priorities and work streams within each.
 - 11.4. The Board noted an overview of the budget position during FY21/22 vs Q3 FY 2021/22.
 - 11.5. The Board noted a list of the key financial risks for FY 2021/22, including the mitigations against each. The three notable ones being securing Cabinet Office agreement on marketing plans, reduction in net profit from retail, and a drop in income from partnerships due to the impact from Covid-19.

12. The Board had a discussion on the viability of the BTA's retail offering and its future prospects. The Board was informed that income from retail should rise again after recovery and would make a useful contribution towards covering the BTA's costs.
13. **APPROVAL: The Budget was approved by the Board.**

Agenda Item 10: Audit & Risk Committee (ARC) Update

14. The Board received and noted a verbal update from Carol Hui, Chair of the ARC. The following points were noted:
 - 14.1. The ARC meeting in March 2021 covered three key areas on internal audit activities, risk management and internal controls, and a self-assessment conducted by the Committee.
 - 14.2. The internal auditors, Mazars, presented three internal audit reports. The first one was an assessment on grants maturity, which was found to be a relatively small function within the BTA; There were areas found that did not meet requirements, however this comes with the caveat that the BTA is not on the same scale as other ALBs. The second audit was on travel and expenses, which received a green assurance rating. The third audit was on contract management and STAs; the findings were positive overall, with a few areas that required some attention.
 - 14.3. A few areas identified for future review by the internal auditors had been discussed and these included compliance with the Cabinet Office PASS form process, internal controls on financial management reporting, data security, and treasury management.
 - 14.4. On risk management and internal controls, the ARC is continuing its work on risk assurance mapping. Areas under review include the risk policy, risk appetite, risk register. Another area discussed was on how well compliance progress are embedded across the culture of the organisation.
 - 14.5. The ARC conducted a self-assessment of its effectiveness and results were positive overall, with some areas of improvement identified. Work would be done to make the ARC more efficient and its meeting structure and duration will be streamlined. Whistleblowing arrangements were also discussed and whether it would be appropriate for a Board member to take a lead on this area.

BRITAIN MATTERS

Agenda Item 12: Business Events Update

15. The Board noted the paper and took this as read. Kerrin MacPhie, Head of Business Events, joined the meeting to provide a verbal update and following points were noted:
 - 15.1. Kerrin introduced herself and provided a background of her work across the events industry, prior to joining VisitBritain/VisitEngland. She had previously worked at ACC Liverpool and has been at the BTA for three years.
 - 15.2. The business events sector contributes around £31.2 billion to the UK economy according to 2019 figures.
 - 15.3. The BTA's business events strategy is focused on securing high impact events aligned with government priorities. There would be a focus on enabling regional destinations to win more MICE (meetings, incentives, conference and exhibitions) and international events. The aim would be to raise the profile of Britain for winning events across the world.
 - 15.4. There BTA team has nine full-time posts and a part-time post in China.
 - 15.5. One of the key target areas would be MICE events, which covers areas such as international association congresses that rotate their venue locations internationally (a top opportunity for the UK), business events, conferences, and exhibitions. These areas present a total trade opportunity of £165 billion.
 - 15.6. The events industry has slowed down during the past year from Covid-19. However, the BTA's Business Events Team have continued to engage with industry and partners across international channels through

areas such as the GREAT campaign, MeetVB virtual, and MeetEngland virtual. The business events team had identified over 400 events so far with a delegate spend of up to £679m.

- 15.7. Business events is a key area within the government's Tourism Recovery Plan.
- 15.8. The Board had a discussion regarding the sentiment across the international market in the current climate with Covid-19. It was noted that London has dropped from 3rd to 5th place as being a magnet for international events due to Covid. It is foreseen that recovery in this sector would be a long term journey across 2-3 years.
- 15.9. The Board discussed the increased interest in virtual events following the reliance on this method of delivering events as a necessity during as. The industry has recognised the benefits of offering virtual events. Future events will likely offer a hybrid of live and virtual delivery.
- 15.10. The Board thanked Kerrin for her report, including her and her team's continued work and efforts.

ENGLAND UPDATE

Agenda Item 13: Destination Management Organisations (DMOs) Update

16. The Board received a verbal update from Nick de Bois, who has been leading the government consultation review on DMOs. The following points were noted:
 - 16.1. The consultation had started in March 2021, with an aim to have the recommendations ready for the Secretary of State by July 2021.
 - 16.2. As part of the review, a range of evidence review sessions would be conducted in the form of regional roundtables, including a challenge panel to review all the information gathered.
 - 16.3. The consultation has been progressing positively. The aim is for the reach and engagement of the consultation to be widespread to ensure that the review captures a broad range of views.
17. **England Update** – The Board noted a verbal update from Andrew Stokes and the following points were noted:
 - 17.1. The Discover England Fund (DEF) is coming to a close and the England team have been working hard with delivery partners to ensure the successful delivery of DEF projects.
 - 17.2. The 'We're Good to Go' (WGTG) campaign work continues, with up to 50,000 business signed up to the initiative so far.
 - 17.3. Business support work continues to be busy with a suite of online webinars being rolled out to SMEs.
 - 17.4. A digital roadshow will be delivered to DMOs and partners to spread information on how to access available funding and support during the Covid pandemic.

DEVOLVED NATIONS

Agenda Item 14: VisitScotland Update

18. The Board received a verbal update from the Rt Hon Viscount Thurso, Chairman of VisitScotland. The following key points were noted:
 - 18.1. Restrictions have been eased, moving from 'stay home' to 'stay local'.
 - 18.2. There is currently an election purdah in place in Scotland.
 - 18.3. VisitScotland has developed a paper on responsible tourism and the target audience will be the industry and visitors.
 - 18.4. There is a separate events directorate within VisitScotland that reports separately to a Cabinet secretary; a specific budget has been allocated for activity relating to events. There has been lots of work and activity ahead of the preparations for the UN Climate Change Conference 2021 (COP26).

- 18.5. VisitScotland has also been carrying out a separate function as a grant giving agency on behalf of the Scottish Government, in addition to its core role. It has so far allocated up to £85m in grants.

Agenda Item 15: Wales Update

19. The Board received a verbal update from Ian Edwards, the Wales representative on the Board. The following key points were noted:
- 19.1. Self-accommodation venues are able to open in the beginning of April 2021. Hotels that will open would only be able to offer room service.
 - 19.2. Further guidance on the subsequent stages of reopening would be issued by the First Minister in the coming days.
 - 19.3. A rate relief has been rolled-out to help support and ease the pressure on the hospitality sector.
 - 19.4. There is currently a purdah in Wales ahead of the upcoming elections.
 - 19.5. The rate of infections across Wales has fallen dramatically.

Agenda Item 16: Northern Ireland Update

20. There were some technical issues with Katy Best's dial-in connection during the meeting. The Board was not able to take a verbal update. Katy will circulate any relevant updates offline to the Board.

PAPERS FOR NOTING/INFORMATION

21. The Board noted the following papers and took these as read:

- 21.1. Agenda Item 17: Domestic Tourism Trends and Market Sentiment**
- 21.2. Agenda Item 18: International & Inbound Tourism Trends and Forecast Update**
- 21.3. Agenda Item 19: State of the Market Snapshot**
- 21.4. Agenda Item 20: BTA Corporate Risk Register**

Agenda Item 21: Any Other Business

22. Sally Balcombe updated the Board that the BTA's Annual Review event will be taking place on 25 May 2021. The event will be held both in-person and virtually. The Minister should be in attendance. Sally extended an invitation to all Board members to attend.
23. The Board also noted that English Tourism Week (ETW) will be taking place on 24-31 May 2021 and were encouraged to advocate and attend the event.
24. Peter Mills updated the Board the Annual Reports and Accounts 2020/21 and ARC Report will be submitted to the Board at its next meeting in June 2021.

Agenda Item 22: Date of Next Meeting

25. The Board noted the next meeting will be on Thursday 24th June 2021.

Agenda Item 23: Close

26. The meeting was closed at 1.00pm