

CONFIDENTIAL

MINUTES OF THE 450TH MEETING OF THE BRITISH TOURIST AUTHORITY HELD AT 10:00 ON WEDNESDAY 12TH AUGUST 2020 VIA TELECONFERENCE

Present:

Rt Hon Sir Patrick McLoughlin	Chairman
Nick de Bois	Board Member / VisitEngland Advisory Board Chairman (ex-officio)
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
Karin Sheppard	Board Member
Lord John Thurso	Board Member / VisitScotland Chairman (ex-officio)
Duncan Parish	DCMS, Observer
Katy Best	Northern Ireland Tourist Board, Observer
Mark Taylor	London and Partners, Observer

In Attendance:

Sally Balcombe	Chief Executive / Accounting Officer
Patricia Yates	Director of Strategy & Communications
Andrew Stokes	England Director
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 Board to the extraordinary meeting convened to discuss the Comprehensive Spending Review (CSR) proposals.
2. The Board gave a warm welcome to Duncan Parish, the new DCMS Representative, on his first meeting on the BTA Board.

Agenda item 2: Apologies & Declarations of Interest/Conflicts

3. There were no apologies received.
4. There were no new declarations of interest.

Agenda item 3: CSR (Comprehensive Spending Review)

5. The paper was noted by the Board. This provided an outline of the BTA's draft proposal bid for the government's three-year comprehensive spending review. Patricia Yates provided a verbal update in reference to the paper.
6. The upcoming spending round will cover a three-year period, from the April 2021 to March 2024 financial years. The draft bid has been presented to DCMS for review and the final proposals would go back to them to approve, prior to submission to Treasury in September. The outcome of the bid would be announced at the end of October 2020.
7. It was noted that all bids should demonstrate alignment with government priorities and must be ambitious. Ministers wanted to see a good level of ambition in bids and also take into account the impact of Covid-19.
8. The Board noted the CSR timeline. Expressions of interest for Business Events and the Discover England Fund (DEF) had already been submitted at the end of July 2020, as these are existing areas of activity and given greater scrutiny.

The GREAT bid had been submitted to the Department for International Trade (DIT). By the end of August, the final bid would be agreed with DCMS and ministers. The bid would then be submitted to HM Treasury at the end of September and the CSR should be announced by the end of October 2020.

9. The Board was presented with an outline of the BTA's bid, which has been aligned to demonstrating how the tourism sector provides a significant contribution to the government's spending review priorities. These include:
 - 9.1. strengthening the UK's economic recovery from Covid-19 by prioritizing jobs and skills;
 - 9.2. levelling up economic opportunity across all nations and regions of the country;
 - 9.3. making the UK a scientific superpower, including leading in the development of technologies in reaching net zero carbon by 2050; and
 - 9.4. strengthening the UK's place in the world.
10. The Board was provided with a breakdown of the funding bid for both VisitBritain and VisitEngland. The following key points were noted:
 - 10.1. The ask for the core grant-in-aid funding for VisitBritain would be £30m, a rise from the current figure of £19.6m.
 - 10.2. VisitEngland's core funding will be £22.5m per year (from £7.2m), with an uplift of £5m in year 2.
 - 10.3. £100m has been allocated to the Tourism Challenge Fund.
 - 10.4. Discover England Fund (DEF) will be £36m over three years (in comparison funding had been £45m over five years).
 - 10.5. The ask for the GREAT bid will be £30m per year over three years, which would be a significant increase from the previous £22m.
 - 10.6. The VisitBritain Tourism Hub bid will be for £13m. Funding towards this would enable VisitBritain to have the resources to take the overlaying of tourism data and make it accessible for SMEs; this would make it useable for small companies that do not have data specialists.
 - 10.7. The Capital and Transformation bid has been set at £11.2m, covering the three-year CSR period. Sally Balcombe noted that funding and resources have been lacking in this area in previous years. This investment would be used to ensure that core systems are given the necessary upgrades to help ensure compliance. The organisation requires the right systems and tools to be able to deliver its priorities.
 - 10.8. The reformed business events team would be better equipped at delivering winning events to the UK. The total bid will be for £10m over three years. The increased resource would enable the organisation to actively engage the business events market, make pitches and secure events; international business would be actively targeted and attracted to choose the UK as a venue for international events.
11. Andrew Stokes provided a verbal update on the bid for the DEF, with reference to the paper. The Board was informed that since the DEF programme was launched in 2015, it has provided over 700 products across 66 projects. This includes the TXGB Platform, which has enabled SMEs to access online international distribution, and the Taking England to the World Training Scheme. The impact of the pandemic has adversely affected the development and delivery of some of the large scale projects. However, the additional funding towards marketing would help ensure the delivery of the full potential of these projects.
12. The Board had some queries regarding how the BTA allocated priorities in reference to the CSR bid proposals. It was noted that the allocation of priorities would be an iterative process and would be developed in discussion and collaboration with DCMS.
13. The Board had a query regarding the security of the funding for the GREAT campaign and whether there were any risks of this being discontinued in the future. The Board was informed that the Tourism Sector Deal would be continuing on. However, this may be subject to being reshaped following the impact of Covid-19. It was emphasized that GREAT was one of the key pieces of funding for the BTA. There may be potential changes to the structure of where GREAT would sit, however it appears unlikely that the government would want to change the outcomes of GREAT.

14. The Board noted the figures shown in the CSR funding proposal paper, which clearly demonstrated that the BTA does not get as much funding and resources as other tourism boards/authorities in other countries. The Board noted this does negatively impact on the BTA's competitive position with other tourism boards and should be highlighted.
15. The Board had a question on whether there were any indicators that indicate growth from international markets so far. The Board was informed that there does not appear to be much material change in early recovery from international markets. However, there were some green shoots from the European market. There has also been some increased traffic on the retail shop from Europe. Short haul trips may be preferential during the initial recovery phases, while long haul travel may take longer to recover. The biggest market has always been Europe, with China and the US being the biggest long haul markets for the UK.

Agenda item 4: Accommodate Update – For Endorsement

16. The Board noted the paper. Sally Balcombe provided a verbal update in reference to the paper.
17. The Board was informed that there had been some challenges in terms of the options offered to the BTA for its new accommodation next year. The BTA has to vacate its current offices by the end of March 2021. The move would represent the fourth set of offices during the last five years. 10 South Colonnade at Canary Wharf has been offered as the final option and arrangements were being made to confirm the final arrangements. However, it was noted that the location is not optimal for the requirements of the BTA in terms of the available space and its needs and ability to perform its remit.
18. The BTA does currently own property at 3 Grosvenor Gardens in the Victoria area. Among the proposed plans included utilizing space at this property, potentially as a central meeting location and a hub to host bigger meetings. There would be some refurbishment required to ensure that the space is fit for purpose.
19. The Legal Team has been looking into the legal aspects of taking this route. DCMS has also been involved and consulted in the process. It would appear that it was within the BTA's gift to make the decision to utilise Grosvenor Gardens, being the owner of the estate.
20. **The Board was asked to endorse the decision to proceed with the use of 3 Grosvenor Gardens as office space for the BTA. After some discussion, the Board agreed and were happy with the proposals.**

Agenda item 5: Government Communication Service Review – For Information

21. The Board noted the papers relating to this item. The Board was provided a background to the papers. The Prime Minister had asked Alex Chisholm, Civil Service Chief Operating Officer and Cabinet Office Permanent Secretary, to oversee an improvement programme to make publicly-funded communications more efficient and effective. Moving to a single employer model is among the proposals being considered. All departments have been asked to complete a data audit of total communications resource for themselves, ALBs and non-Civil Service Public Bodies.
22. The Board noted, in reference to the paper, that the BTA should be out of scope from the review, given several key reasons. It was highlighted that the BTA's core activity is in marketing and needs it to function to deliver its priorities set by government. The BTA also exists as a statute in law, under the Development of Tourism Act 1969.

Agenda item 6: Any other business

23. There was no other business to report.

Agenda item 7: Date of next meeting

24. The next meeting would be on 30th September 2020.

Agenda item 8: Meeting close

25. The meeting was closed at 12.30pm.