

CONFIDENTIAL

MINUTES OF THE 453RD MEETING OF THE BRITISH TOURIST AUTHORITY (BTA) BOARD HELD ON TUESDAY 26TH JANUARY 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
Nigel Huddleston MP	Parliamentary Under-Secretary of State for Sport, Heritage and Tourism, DCMS
Dan Ramsay	Director, GREAT Britain Campaign
Debra Lang	Director of People and Transformation
Peter Mills	Business Services & Finance Director
Clare Mullin	Marketing Director
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 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 2nd December 2020 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 to the Board and the following key points were noted:
 - 6.1. Staff welfare and wellbeing continues to be a key priority. The second wave of Covid-19 seemed to have had more of an impact on staff across the organisation, with more illnesses being reported. There have also been reports of mental fatigue following the most recent lockdown.
 - 6.2. The delivery of the People Strategy planning is on track, however timelines would need to be reviewed and readjusted due to changes in available funding.
 - 6.3. There has been strong engagement with the DMO community. Support has also been facilitated by the BTA through the DEF fund to provide help to challenged DMOs.
 - 6.4. There were concerns on the impact on the planned recovery campaigns following the recent lockdowns and restrictions. Some funding and money had to be returned, as campaigns could not be delivered in the current climate.
 - 6.5. The roll out of HR projects were in good shape. Improvements to HR systems and resourcing are on track.
7. The Board had a discussion regarding underspend on activities and campaigns, and particularly funds that have to be returned. DCMS noted that it would try to explore any available options on whether money and funding could be repurposed or rolled over for other BTA activities. It was also noted that all considerations were being taken internally. The Board further noted that it was governed by Treasury rules, therefore that would be a key element to consider.

Agenda Item 7: Covid Response/Update

8. The Board received and noted a verbal update from Patricia Yates. There were still key concerns within the industry on the timelines of when restrictions are lifted and easing of social distancing rules. There were similar concerns within the DMO landscape. The government has been looking to various models used in other countries on how inbound travel can be managed (i.e. quarantining in hotels and travel bans to specific destinations).
9. The Board noted that the Integrated Defense Review should be published in March 2021. The key stakeholder in this review is the Foreign, Commonwealth & Development Office (FCDO). It was noted that DCMS would like to have an input into the review as it would have an impact on areas under its remit. There may also be a potential implication on the BTA's workforce, so this would continue to be monitored.

TOURISM MINISTER AND DCMS UPDATE

Agenda Item 8: Tourism Minister Overview and Tourism Recovery Plan

10. The Chairman and the Board welcomed the Tourism Minister, Nigel Huddleston MP, who joined the meeting to discuss and take questions on tourism and recovery.
11. The Minister discussed the government's commitment through the Tourism Recovery Plan. The plan was being developed with input across multiple departments and in partnership with devolved nations. The hope is to publish the final plan by the end of March 2021.
12. The Minister reported that the key priority was to get tourism spend and visitor numbers up to the same levels as 2019. Priorities have been split between short and medium/long term. In the short term, the aim is to reopen safely, provide business support, and stimulate demand domestically. In the medium/long term, the priorities will be in developing the visitor economy, transforming the sector and linking this to sustainability (this includes looking at the role of DMOs), and supporting the events industry which has been hit hard.

13. Longer term, there will be a focus on looking at the spending review commitments for the future. The aim is to have a robust and constructive dialogue with Treasury on this area and highlight the position that tourism is essential to the recovery of the economy.
14. There was still uncertainty on when everything can fully reopen and this will be driven by scientific data, the impact of the vaccinations, and effect of new Covid variants. The working assumption is that domestic tourism will recover before international tourism.
15. The Board had several questions, which the Minister addressed. The key points were as follows:
 - 15.1. DMOs faced challenges and are in need of funding and help; several million pounds of support has been provided during the last several months to support DMOs. Furthermore, a government-led review will be undertaken to help inform the reshaping of the future landscape of DMOs.
 - 15.2. The heavy toll and challenges on the business events sector during the pandemic has been acknowledged. The sector has relied on the furlough scheme in order to keep jobs. The government aims to get this sector opened up as soon as possible. The vaccine will play a key role in allowing the safe opening and enabling larger gatherings of people.
 - 15.3. The abolishment of the VAT refund for tourists and its impact on the tourism and travel industry was noted. The Minister noted that DCMS agrees and has outlined the impact. However, the decision ultimately sits with Treasury, which has to review and consider the issue.
 - 15.4. The issue of travel bans and restrictions on inbound travel was discussed. It was noted that various models were being considered, however it was emphasized that Britain is an international country so there will be challenges.
16. The Chairman thanked the Minister for his time and presenting his updates to the Board.

Agenda Item 9: DCMS Update: Plans, Integrated Review and BTA Expectations

17. The Board received a verbal update from Duncan Parish. It was noted that the Tourism Minister has already touched on certain areas relating to updates from DCMS. One of the key areas being looked into at DCMS is the business events sector and recovery in that area. There will also be a review on Britain's international competitiveness and recovery in terms of its tourism offering. Furthermore, the BTA's input and help in developing the recovery plan and support in other areas such as TIER and policy development for the industry has not gone unrecognized.

BRITAIN MATTERS

Agenda Item 10: GREAT – Update on Strategy and Direction

18. The Chairman and the Board welcomed Dan Ramsay, Director of the GREAT Campaign, to the meeting. Dan presented a slide deck on the future vision and strategy for the GREAT campaign.
19. GREAT is the UK's international brand and was originally established in 2012. It unifies all official promotion of the UK under a single brand; this takes a different approach to other countries which usually have distinct brands for tourism, trade, etc. The GREAT campaign has been consistently delivering over £1bn per year to the economy with a return on investment (ROI) of 15:1.
20. In terms of its governance structure, the Cabinet Office oversees all major marketing spend for GREAT and grants final approval for spending and also evaluates all campaign projects. A programme board governs GREAT, which is attended by the CEO of the BTA and Government Ministers.
21. GREAT 2.0 will be a refreshed brand and will present a new image of the UK. It aims to showcase a more exciting and energetic view of the UK. There will be a focus on the human aspect, showing more of the character and personality of the UK.

22. The Board had some questions regarding the impact of the GREAT 2.0 refresh and its impact on the marketing methodologies and approach. It was noted that there may be a reduction in flexibility in how marketing campaigns are run by VisitBritain following the GREAT rebrand and concerns were noted regarding this. Clare Mullin noted that VisitBritain has a very good relationship with Dan and his team at GREAT, so any issues can be worked through. Dan also noted that the aim of the rebrand is to act as an enabler, not to cause any constraints on marketing processes. GREAT will also still have an ROI focus on the measurement of its KPIs.
23. The Board had a query for Dan regarding the delays in the approval of funding and the issues these have caused. It wanted to know if Dan and his team would be able to do anything to help in this regard. Dan noted that he is aware of the issues and has been personally involved in getting funding pushed through. It was noted that it has been a challenging year, along with the delays caused by the funding approval processes, and it would be useful to have a smoother process going forward.

CORPORATE MATTERS

Agenda Item 11: BTA 2020/21 Financial Update

24. The Board noted the paper and took this as read. Peter Mills provided a verbal update in reference to the paper and the following key points were noted:
 - 24.1. 2019-20 Annual Report and Accounts have been published in December. No queries from the media have been received so far.
 - 24.2. 2020-21 Annual Report and Accounts (ARA) is on track to be published in July 2021. This is a challenging but achievable target. The Audit & Risk Committee will meet in June to clear the ARA, in readiness for submission to the BTA Board meeting on 24th June 2021.
 - 24.3. An underspend in retail has been identified and options are being reviewed on how this can be redeployed.
 - 24.4. After an open tender process, Mazars has been reappointed as the internal auditors of the BTA.
 - 24.5. This financial year's internal audit programme remains on track and no major issues were identified to date.

Agenda Item 12: BTA 2021/22: Corporate Priorities / KPIs and Budget Update

25. The Board noted the paper and took this as read and Sally Balcombe presented a verbal update.
26. It was noted that the BTA's key role was to drive immediate tourism recovery through building back visitor spend as quickly as possible and supporting the industry. The four corporate priorities will be:
 - 26.1. Restimulating international and domestic demand; jointly, both VB/VE will be the authority on tourism for both the government and industry.
 - 26.2. Support the English Tourism Industry. This will be done primarily by supporting SMEs to rebuild and recover, to ensure a sustainable and resilient future.
 - 26.3. Be the Authority on Tourism by advising government and industry so they can make informed decisions.
 - 26.4. Deliver Transformation, so that we can be a more effective organisation with the right culture, skills, capabilities, tools and systems and can deliver a better experience for our staff and customers. This priority will go towards building for the future.
27. The Board noted a slide that demonstrated how success will be measured for each priority through KPIs. The intention will be to produce a quarterly dashboard to track progress.
28. The total funding for the BTA stands at £56 million, excluding retail and partnership income. The Board noted a slide providing a breakdown of each funding pot. The greatest pressure will be on the VB core funding, with staff resourcing and an ongoing legal claim that will need to be factored in.

29. The Board had a discussion regarding the approach and factors in deciding on the priorities for 2021/22. It noted that the development of the priorities will be underpinned by in understanding what the BTA's role and voice will be. This is a live and continuous conversation and some flexibility in the approach will be required.
30. The future role and direction of the BTA would also be need to be considered, particularly its role as an Arm's Length Body (ALB). The impact of the proposals from the integrated review being undertaken by the FCDO would also be a key area of consideration.

Agenda Item 13: Remuneration & People Performance Committee (RPC) Update

31. The Board received a verbal update from Judith Macgregor, Chair of the RPC and the following key points were noted:
 - 31.1. The RPC had its recent meeting in January 2021. Updates and data on staff wellbeing and mental health were a key focus of the meeting and there has been lots of activity in supporting and monitoring this area.
 - 31.2. There had been some special pressures on the HR team's resources, which has now been resolved.
 - 31.3. There has been a slight reduction in the funding pot initially proposed for the L&D budget. The timelines of the delivery of projects within the People Strategy may require some adjustments.
 - 31.4. The RPC received an update regarding the progress of the accommodation move. The 3 Grosvenor Gardens site will open first, with the Canary Wharf offices due to be available in the summer.
 - 31.5. There was a discussion regarding the US pensions scheme and potential financial risks around this. It was noted that the scheme will continue to be monitored and to ensure that the BTA is getting the best value.

Agenda Item 14: Audit & Risk Committee (ARC) Update

32. The Board received and noted a verbal update from Carol Hui, Chair of the ARC. It was noted that there were no meetings between December 2020 and January 2021 and the next meeting will be in March 2021. The ARC's last meeting had a clear focus on compliance and assurance mapping, and providing effective reassurance to the Board and DCMS in this area. The ARC will also be reviewing the programme of work for the coming year.

ENGLAND UPDATE

33. The Board received and noted a presentation from Andrew Stokes and the following key points were noted:
 - 33.1. Launched in June 2020, the Slack DMO Community continues to be one of the key channels for communication between VB/VE and DMOs.
 - 33.2. 15 DMOs have been supported through the DMO Emergency Fund. This funding is designed to support those strategic DMOs most at risk of closure and alleviate some of their financial pressures to year end. £925k of funding has been allocated.
 - 33.3. Q4 plans for marketing has been reviewed in light of the latest lockdown and sentiment data. There have been some tweaks applied to the Escape the Everyday campaign due to the recent lockdown, with key activity being put on hold and ramped up in March 2021 instead.
 - 33.4. The Business Advice Hub has generated an additional 11,265 users in December 2020. Overall users of the Hub was up 240% and unique page views was up 200% in December (compared to December 2019). The Hub also features video Covid-19 business recovery case studies.
 - 33.5. Planning is underway with Awards Steering Group for the 2021/22 VisitEngland Awards for Excellence.
 - 33.6. There has been very positive industry feedback on the We're Good to Go campaign and there is a high demand for it to continue.
 - 33.7. There has been some work on the area of accessibility with the popular 'Easy Does it' guide, which has been updated and relaunched in December. Furthermore, an Accessible Breaks section is being developed for VisitEngland.com, which will integrate accessible tourism experiences.

DEVOLVED NATIONS

Agenda Item 16: VisitScotland Update

34. The Board received a verbal update from the Rt Hon Viscount Thurso, Chairman of VisitScotland. The following key points were noted:
- 34.1. Scotland was still in full lockdown. The plans for easing lockdown and travel restrictions were divided up across the yearly quarters. Travel recovery has been assumed for the 2nd and 3rd quarter, with indications that pushing for international travel will be done closer towards the end of the year.
 - 34.2. VisitScotland is currently focusing on delivering brand maintenance, highlighting Scotland's offering as the restrictions ease.
 - 34.3. As an organisation, VisitScotland has fully adopted agile working, which will likely carry on post-pandemic due to its positive benefits.

Agenda Item 17: Wales Update

35. The Board received a verbal update from Ian Edwards, the Wales representative on the Board. The following key points were noted:
- 35.1. There is currently a Level 4 lockdown in Wales. Figures show that Covid cases have started to fall. There is hope that restrictions will be eased as there is a further decline in infection rates.
 - 35.2. There will be a £180m sector fund from the Welsh government, with local authorities helping to funnel the funding across the industry.
 - 35.3. VisitWales has set up a Covid-19 taskforce, which has representatives from the industry across Wales. A Tourism Recovery Plan is being put together for Wales, with a particular focus on building resilience for the Industry going forward.

Agenda Item 18: Northern Ireland Update

36. The Board received a verbal update from Katy Best, the Northern Ireland representative on the Board. The following key points were noted:
- 36.1. Business rates for eligible businesses in Northern Ireland has been suspended until 31 March 2021; this will apply to all tourism businesses and airports.
 - 36.2. The Belfast Region City Deal has been awarded £26m, with tourism being a particular priority.
 - 36.3. The hotel and retail voucher scheme will not be going ahead as proposed. However, there are plans to put this through for the next financial year instead.
 - 36.4. Tourism Ireland is looking to increase activity around St Patrick's Day, and messaging will be further dialed up in July 2021.

PAPERS FOR NOTING/INFORMATION

37. The Board noted the following papers and took these as read:
- 37.1. Agenda Item 19: Domestic Tourism Trends and Market Sentiment**
 - 37.2. Agenda Item 20: International & Inbound Tourism Trends and Forecast Update**
 - 37.3. Agenda Item 21: State of the Market Snapshot**
 - 37.4. Agenda Item 22: BTA Board Ratification of Grant Funding Decisions**
 - 37.5. Agenda Item 23: Accommodation Update**

Agenda Item 24: Any Other Business

38. The Board had no other business to report.

Agenda Item 25: Date of Next Meeting

39. The Board noted the next meeting will be on Tuesday 30th March 2021.

Agenda Item 26: Close

40. The meeting was closed at 1.30pm