

**MINUTES OF THE 467th MEETING OF THE
BRITISH TOURIST AUTHORITY (BTA) BOARD**
HELD ON MONDAY 18th September 2023 at 1000
3 Grosvenor Gardens, London

Present:

Nick de Bois CBE (Chair)	BTA Board Chair
Dame Judith Macgregor DCMG LVO (JM)	Board Member
Karin Sheppard (KS)	Board Member
Ian Edwards (IE)	Board Member / Wales Representative (ex-officio)
Rt Hon Viscount John Thurso (JT)	Board Member / VisitScotland Chairman (ex-officio)
Peter Gowers (PG)	Board Member
Beth Knight (BK)	Board Member
William Burton (WB)	Board Member
Lady Victoria Borwick (VB)	VEAB Chair
Mark Taylor (MT)	London and Partners (Observer)
Duncan Parish (DP)	DCMS (Observer)
Rodrigo Voss (RV)	Boardroom Apprentice (Observer)

In Attendance:

Patricia Yates (CEO)	CEO/ Accounting Officer
Andrew Stokes (AS)	Director VisitEngland and Commercial
Gavin Landry (GL)	International Director
Debra Lang (DL)	Director HR and Professional Services
Serena Jacobs (SJ)	Director of Finance
Aidan Rose (AR)	Company Secretarial Executive (minutes)

In Partial Attendance

Professor Xavier Font (XF)	Professor of Sustainability Marketing, University of Surrey (Guest Speaker)
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Agenda Item 1: Welcome and Introductions

1.0 Welcome

1. The Chair welcomed Lady Victoria Borwick, the newly appointed VEAB Chair, to the BTA Board. He also welcomed Beth Knight and William Burton as new members of the BTA Board. The Chair announced that WB had agreed to join ARC and BK had agreed to join the RPC. Additionally, WB had agreed to chair the ARC. These appointments were noted and approved by the Board.

1.1: Apologies for absence

2. Apologies for absence were recorded for:
 - Henry Bankes – General Counsel and Company Secretary. DL would act as Company Secretary as HB reported to her.

1.2 Declarations of Interest/Conflicts

3. There were no changes to the Declarations of Interests noted.

1.3 Minutes of the Meeting on 20th June 2023 (For approval)

4. JM noted that Carol Hui's name was missing from the list of attendees. No further changes were raised. The minutes from the last meeting were approved.

1.4 Matters Arising / Action Tracker

5. Each action was reviewed and the tracker updated.

1.5 Chair's update

6. The Chair reported on his key activities since the last Board:

- The Chair received a letter from the Secretary of State which was a reminder of the four priorities: Data and KPIs; Youth; Sustainability; and Place, on which point the Chair emphasised ensuring that the right KPIs were in place for the North East tourism pilot to showcase proof of concept in time for the next Spending Review. The Secretary of State's letter also set out her thoughts which was on continuing focus from the Board on GREAT work in key markets and the ALB review. She drew particular attention to non-baseline funding priorities including the delivery of the BTA Transformation programme; the continued support to the Business Events sector; prioritising compliance competitiveness and performance; and the development of the BTA Estates Strategy.
- Nigel Huddleston, Department of Business and Trade, had invited the Chair to join the Osaka Expo creative steering group, which had met for the first time the previous week.
- The Chair had met with the Chair of the Welsh Select Committee and had constructive discussions on the committee's report.
- The Chair reported he had attended a South-West working roundtable in Plymouth. The main discussion had been around the LVEP programme. There were still difficulties which had to be worked out, but he felt it had been a positive session.
- The Chair reported on his attendance at Destination Britain North America (DBNA). During the three days he met with almost every delegate from both the UK and North America, attended presentations by VisitScotland and Visit Wales as well as hosting a working round table with industry representatives. There was no evidence of an emerging pinch point where price escalation reached a point where it would impact demand in market activity. Airlines were able and willing to fill more transatlantic planes and the Chair noted that very effectively the UK was being presented as an accessible destination. However, hotel pricing was seen as a key challenge. The North American industry representative also highlighted supply side issues, namely a lack of drivers and driver/guides as well as hotel capacity. The Chair congratulated GL and the VB US Team on their work, as well as Tracey Edginton for providing excellent guidance and media management.
- The Chair reported on the first Business Events Ambassadors reception, where the principal guest was Sir John Whittingdale, to expand on opportunities for business events.

2.0 Strategic matters for discussion

2.1: Political update

7. The CEO provided an overview of the current political matters:
- Two new shadow ministers had been appointed: Thangam Debbonaire was appointed Shadow Secretary of State for Culture, and the new Shadow Minister for Music and Tourism was Barbara Keeley. A recent speech by Barbara Keeley had emphasised employment and skills and seaside towns.
 - The Parliamentary Select Committees for both Scotland and Wales had had inquiries into international promotion where VB gave verbal evidence at both committees. VB was looking particularly at how they worked with Wales and would focus on implementing the learnings from the recommendations. In response to a question from JM, the CEO said that the Scottish report had been much broader and hadn't made any specific requests of VB.
 - DCMS had requested research on the behavioural change caused by the lack of tax-free shopping in similar markets to share insight across government. KS asked if they were getting to more robust data on this issue. DP explained that the government's policy position was not to reintroduce tax-free shopping but wanted to understand how they could mitigate any impacts.

2.2 CEO Report and Dashboard

8. The CEO took the reports as read and highlighted the following key activities:
- £700k of the £1.2 million Activity budget had been committed. The part which was not committed was for the finance and HR systems and would cause serious delays. DP clarified that this search for financial savings was being made across all DCMS ALBs. He endorsed submitting a business case to DCMS to defend committing the last £500k.
 - Results of the first quarter of Business Events were good and they would deliver the return on investment targets for GREAT. They had looked at the impact of the campaign in different markets and how they could optimise it.
 - The government ambition was to launch a film and TV campaign but this was subject to risks; there was a continuing strike in the US which made it difficult to discuss in the American market; creative content was costly; and that the government appointed agency had not yet developed a suitable option. The marketing team had to create contingencies if this film and TV project did not proceed; a decision would be made by the end of September.
 - GREAT had plans for key tentpole moments. The American event had been pulled, probably delayed until 2025/26. Instead, there was an event in Saudi Arabia in February/March 2024 that we were engaged with. India was planning GREAT activation at the end of November 2023, expected to coincide with the PM's visit. It was noted Conrad Bird had taken over as interim CEO of GREAT since Andy Pike's departure; final interviews for this position would take place in October.

2.3 ALB Review

9. Emir Feisal had informed the BTA that the Review would be completed within the following few weeks. This would be shared with the CEO and BTA Chair for fact checking before being sent to the Minister. The government would then prepare its response.

3.0 Papers for approval/decisions

3.1 Financial Planning – High Level Overview

10. SJ took the paper as read, outlining the budgetary challenges of the next three to five years.
- Various factors, including high inflation and retail levels, would mean that funding could be challenging in spite of OD restructuring. Partnership income was planned to increase, but this was matched funding, so would not come directly to the BTA.
 - PG asked, in light of potential reductions to activity budgets, what were the bold choices in high level strategy that might be faced by the organisation. He asked for the Board to be made aware of the BTAs impact across markets so that informed decisions could be made on where activity should be prioritised. KS underlined the importance of changes that can be made based on our current budget and less focus on how the future evolves.
 - Board members recognised that the BTAs statutory role to advise government and influence policy decisions was fundamental and that there was a need to increase more opportunities to engage with ministers to enhance impact.

3.2 Strategy Day Outline

11. The Chair tabled an outline agenda for the Joint Board Strategy Day in October and sought feedback from the Board. The core theme was to consider the BTAs position in the future landscape; the paper detailed the preparation and research that would feed into the Strategy Day. IE referend to the 'Industry Feed In' questions that had gone out to stakeholders for consultation. The CEO confirmed that consultation was taking place with all Nations and were selected from our Tier 1 stakeholders.

4.0 Corporate updates

4.1 VEAB update

12. The VEAB Chair and AS shared a summary of the activity at the last VEAB meeting, held on 12th September:
- The VEAB had discussed the delivery of the De Bois Review and had invited Sarah Green, CEO of the Newcastle and Gateshead Initiative, to get early learnings from the DDP. They had highlighted the challenge of delivering on a tight timescale.
 - They currently had 22 accredited LVEPs and were comfortable that they would be at 30 by the end of 2023, and the total programme would end in the region of 40.
 - Commercial and TXGB was presented and the latest activity was discussed in detail.
 - They had an update on the Quality Standards group.
 - A deep dive into principles, and the England Visitor Economy Strategy. Andy Wood had agreed to be the Board sponsor of this work.

4.2 RPC update

13. JM reported on the activity at the last RPC meeting.
- They had looked at the Organisational Design process in detail, particularly at the financing over the following three years. Given the substantial changes, they agreed to discuss the risk register in detail at the next RPC Meeting in January 2024.
 - They looked at the Employee Value Proposition. VB salaries were robust within the public sector but lagged behind those in the private sector. They had also looked at training, development, and other reward assets.
 - They discussed the defined benefit pensions schemes.
 - The pay remit had been approved and was awaiting DCMS sign off.

4.3 ARC update – Pensions Governance

14. ARC had not met since the previous VEAB meeting in June. SJ took the Pensions Governance paper as read and sought approval on the creation of the Pensions Board.
- JT asked for an explanation of the relationship between the committee and the pension trustees. SJ explained that the organisation of the trustees sat with her as Finance Director and that she had a direct relationship with the chair of the trustees and attended trustee meetings. She would be the conduit between the committee and the trustees. The US scheme did not have trustees; only the UK scheme did. The Chair asked that the BTA Board have sight of the terms of reference.

Decision: The BTA Board approved the formation of the Pensions Committee.

5.0 Themed discussions

5.1 International Markets

15. GL took the paper as read. He presented a video illustrating the work of the International Teams, before pointing out highlights in recent activity and recapping where they were on structure and strategy. He observed that the most significant challenge was implementing the new ways of working in a new organisational structure following OD. GL stressed the importance of ensuring that the wider team felt like they were part of the whole. DL added that this was newly incorporated into VB values.
- PG asked what GL found to be the greatest barrier to dispersal of tourists from London to other parts of England and the devolved nations. GL replied that in the case of Wales, there were key infrastructural challenges that, if overcome, would greatly ease dispersal. Scotland had a very strong overseas brand, particularly with its 'unbuilt assets.' For the Midlands, events like the Commonwealth Games greatly boosted international awareness.
 - PG asked what data they had on the segmentation of inbound tourists in terms of their income and spending, as well as the sustainability of their travel methods, and how different markets compared to one another. GL replied that there was good data, particularly on the value of individual markets. In terms of tourist segmentation within markets, they recognised that there were some socio-economic groups they could have a greater impact upon than others. The CEO added that the question for VB was whether to implement their high net worth campaign globally. India was a difficult market, where average spend for an Indian visitor was not high. If they pitched their marketing at high net worth that might make that market more viable.
 - JM thought it was important that the FCDO was aware of VB's new structures and to connect with teams in shared regions. The CEO commented that they used their travel trips as opportunities to meet with Ambassadors.
 - The Chairman suggested that a measure of success for the OD would be the amount of influence in return for effort VB had in smaller markets. It would be essential to have the data to demonstrate the impact of trade engagement and to determine whether it was worthwhile being in all the markets they were currently involved in.

5.2 Guest Speaker Professor Xavier Font: Sustainability – National Tourism Agency Role

16. The Chair warmly welcomed Xavier Font, Professor of Sustainability Marketing at the University of Surrey. Prof. Font outlined current attitudes and activity in the sector, as well as failings and reasons for inaction. He stressed that the industry should measure profit generated from tourism and the increased quality of life of UK residents, not volume of tourists.
- PG asked what were the barriers to organisations becoming more sustainable. XP answered that money saved through efficiencies was often put into profit, which prevented further sustainable development. He proposed ringfencing the money from these savings to invest in sustainable improvements.

- JT agreed with the idea that products should be designed with sustainable impact in mind. He also noted that measurements of CO2 emissions done by organisations were often inaccurate and based on flawed methodologies. He condemned “greenwashing” in attempts to achieve net zero, and stressed that gross emissions had to be reduced, not only net emissions through carbon offset schemes, though he acknowledged offsetting would play some part.

17. The Chairman, on behalf of Board members, was sincerely grateful to Professor Font for his insightful views and looked forward to building further the relationship in the future.

6.0 Papers to note

18. The Chair noted these papers and no comment was brought for discussion at the meeting.

7.0 AOB

19. BK asked for the pre-reads for the Strategy Workshops.

20. JM suggested that they might review the Strategy Day agenda in light of the comments from XF.

The agenda closed at 1300. Board Members resumed for a closed session at 1315.