

MINUTES OF THE 456th MEETING OF THE VISITENGLAND ADVISORY BOARD (VEAB)

TUESDAY 12th March 2024 at 1030

St Mary's Guildhall

Bayley Lane, Coventry, CV1 5RN

Present:

Lady Borwick (Chair) (VB), VEAB Chair
Allan Lambert (AL), Board Member
Fiona Pollard (FP), Board Member
Nadine Thomson (NT), Board Member
Nigel Wilkinson (NW), Board Member
Sarah Fowler (SF), Board Member
Rebecca Norton-Price (RNP), DCMS Observer
Mel Harradine (MH), Board Apprentice

In Attendance:

Patricia Yates (CEO), Chief Executive/ BTA Accounting Officer
Andrew Stokes (AS), England and Commercial Director
Serena Jacobs (SJ), Finance Director
Lyndsey Turner-Swift (LTS), Deputy Director England
Debra Lang (DL), HR and Professional Services Director
Geoff Hawker (GH), Interim Finance Director
Henry Bankes (HB), General Counsel and Company Secretary
Tracy Otabor (TO), Company Secretarial Executive (minutes)

In Partial Attendance:

Paul Black (PB), Head of Business Events
Becky Frall (BF), Head of Tourism at West Midlands Growth Company
Nicola Said (NS), Regional Lead, VisitEngland – North West and West Midlands

Apologies:

Andy Wood, Board Member

1.0 Welcome and Introductions

1.1 Welcome

- i. The Chair called the meeting to order and declared the meeting quorate. She welcomed all to St Mary's Guildhall and thanked those present and absent who had organised the day.
- ii. The Chair welcomed Geoff Hawker, the new interim Finance Director, Mel Harradine, the new board apprentice, and Rebecca Norton-Price, the new DCMS Observer to their first VEAB meeting. She asked that RN send congratulations from all to Laura Backhouse on the birth of her baby. Finally, she expressed thanks on behalf of all to Serena Jacobs for her valued input whilst Finance Director, and wished her well in her new role.

1.2 Apologies for absence

1. Apologies were received from Dr Andy Wood.

1.3 Register of Interests

2. FP declared an interest in relation to her new position as Chair and Director of Monument Technology Limited. The Register of Interests would be updated to reflect this.

1.4 Minutes from the last meeting

3. Subject to an amendment to paragraph 12, the minutes from the previous meeting were approved.

1.5 Action Tracker

4. All actions on the action tracker were reported as complete.

1.6.Chair's Update

5. The Chair noted the VEAB appraisals would be taking place shortly. VB would be in touch with each board member to arrange timings.

2.0 Corporate Updates

2.1 CEO Report

6. The CEO gave an update on recent activities since the last meeting:
 - i. **KPIs:** The accreditation of LVEPs by VisitEngland (VE) was proceeding well with the expectation to have 30 accredited LVEPs (against a target of 29) by the end of the financial year. The CEO also thanked members for their support at the recent LVEP conference.
 - ii. **Business Events:** The major transformation investment programme which enables England to engage on international platforms, is projected to receive 365 'Requests for Proposals' against a target of 350 to English cities this financial year, worth an estimated total of £262m in delegate spend.
 - iii. **Short Term Lets:** The Government has announced its intention to implement a national, mandatory registration scheme across England. It was highlighted that the registration scheme did not include hotels, hostels and B&Bs. In the consultation response, the CEO noted that they had advocated for their inclusion, echoing industry sentiments. The CEO warned that their exclusion could create grey areas where businesses and consumers were unclear of requirements. DLUHC had also announced that there would be a new planning use class for new short-term lets with all existing properties being automatically reclassified. A round table with DCMS had been proposed so that industry could feed their concerns directly to Government.

The Chair invited AL to share his views on the impending changes to the Short-Term Letting industry. AL explained that the new legislation, in addition to the abolition of the Furnished Holiday Lettings (FHL) tax regime from 6 April 2025, was not welcome news for the sector. He felt this was yet another threat to an already struggling sector and cautioned that this would see profits decline even further in the industry. NW also expressed his disappointment at the ambiguity of the new registration scheme and was concerned about the combination of both the proposed legislative and tax changes, stating that the impact

would likely result in fewer entering self-catering, with properties being sold and ending up as second/retirement homes, exacerbating housing and social challenges in communities while providing minimal contribution to the economy. RN reiterated that she welcomed the feedback from NW and AL concerning the new Short Term Lets proposals and would be keen to discuss this further with VEAB.

ACTION: The Chair welcomed this and invited RNP to convene a meeting for such a discussion.

- iv. **AA Visitor Ready Scheme:** The AA has announced a new Visitor Ready Scheme which is a free, entry-level accreditation scheme that provides businesses which are in the UK hospitality, leisure, and tourism sectors, with a digital badge to verify that all mandatory legal requirements are being met.
- v. **Arms Length Body (ALB) Review:** DCMS were currently working through follow up discussions with LVEPs. Recommendations would then be made to the Minister, with the CEO and Chairs informed prior to that for any further feedback. At this stage there was no indication of what the DCMS response might include. The current timetable envisaged that the ALB review response would be published in April.

ACTION: DCMS to share a list of meetings it is holding with key stakeholders as part of formulating the ALB review response.

IT WAS DECIDED THAT: A meeting between DCMS and the Chair would be arranged to discuss the latest position and focus of the ALB review response.

- vi. **BTA Board:** The CEO gave a brief update on the recent BTA Board. She noted a follow up meeting with Minister Lopez, after her attendance at the BTA meeting, had taken place. Business Events and how VE work with DBT was discussed. The CEO also noted that she would join the Minister for her visit to English Tourism Week in Oxfordshire.
- vii. The CEO confirmed that The Saudi GREAT FUTURES Campaign, which is a major Government Trade Mission, would take place in May. The campaign will encourage trade and promote British business, education and culture to a Saudi Arabian audience of senior Government and business figures. A number of English LVEPs have been invited.
- viii. **Upcoming Events:** The CEO announced that invites had been sent out to board members and directors for the VisitBritain/VisitEngland Annual Review taking place on May 22nd in London and for the VE Awards for Excellence on 5th June in Liverpool.

2.2 Remuneration and People Committee (RPC)

7. FP gave a brief overview of the recent RPC meeting which took place on 16th January. Topics discussed at the RPC included the conclusion of the Organisational Design (OD), the Non-Consolidated pay award and the HR Dashboard concept.

2.3 Audit and Risk Committee (ARC)

8. Reporting on the recent ARC meeting on 23rd January, NW noted that:
 - As had been anticipated by the Finance Director, there had been a significant movement in the forecast year-end financial outturn, which had shifted from showing an overspend in November 2023, to showing an underspend by the end of December 2023. This was mainly due to reduced staffing costs following the conclusion of the organisation's Organisational Design programme.
 - The preparation for the 23/24 Annual Report and Accounts was progressing well with clear representation of England activity in the narrative.

- The new NAO audit team presented their audit plan and it was noted that the internal audit was going well.
- Other areas of focus included The Corporate Risk Register and the issue of Cyber Security/Information Security.

2.4 Members Report on Activities Since the Last Meeting.

9. The Members provided an update on their various activities since the last meeting:

- NT noted that from a media and marketing perspective there had been a growth in advertising spend, particularly in relation to travel companies. Median company spend is approx. 5% of revenue on advertising. Travel companies are spending 30 – 50% of their revenue on advertising. Looking at this trend, NT noted that more consideration should be given by VE to partnerships with travel companies to help drive more people towards the England brand. NT also highlighted the increased use of AI chat assistants by travel companies to engage with clients and using AI to create personalised itineraries.
- FP noted her attendance at the recent Historic Houses Kent Conference which had discussed at length the trend towards late booking. She also noted that it was becoming increasingly common amongst other sectors such as the financial services and FinTech sectors to receive their funding in large part from the Middle East.
 FP echoed NT's findings that the travel sector was moving more towards AI and explained that companies' increased use of AI would help run their data through more efficient systems to give them a greater insight into where the market expenditure was coming from.
- NW briefed the board on his attendance at the Tourism Industry Council (TIC) on 7 February and reported that: (i) there was gradual sales growth in the Tourism Industry but challenges were also noted in the sector such as labour shortages, high operating costs and frequent rail disruptions (ii) concerns were raised over the Electronic Travel Authorisation scheme and the low level of awareness of its anticipated impact (iii) positive discussions were held on the LVEPs and the need for the continued roll out of the LVEP accreditation scheme. The case for future funding for DDPs was also supported by the meeting and (iv) the TIC now had a number of working groups which included hospitality and sustainability groups, which would make a useful sounding board for VE.
 NW also briefed the Board on his attendance at the recent LVEP accreditation Panel which took place on 18th January, the LVEP inception meeting (for newly accredited LVEPS), on 7th February and the LVEP conference on 28th February. NW noted that the conference was a useful forum for feedback on what support new LVEPs needed. NW thanked the VE planning team for their commendable work on the LVEP Conference with positive feedback being received from LVEP delegates. The Chair thanked NW for all his work in relation to the LVEP Scheme and also extended her thanks to the VE planning team for all work done to date.
- AL reported that the self-catering industry was currently trading down by 10-15% and that the current forecast ahead of Easter and summer was still looking very uncertain. It was mentioned that traditionally 50% of bookings were usually made by the end of March but this was not the case this year which had resulted in many businesses using their cash reserves to account for the shortfall in bookings. AL also highlighted major companies in the sector which were undergoing restructures, this further reflected the difficult time the industry was facing. He emphasized the challenges of the cost of living crisis to the industry.
- SF shared feedback she received from major visitor attractions with the main concerns being the high cost of operating, the difficulty in businesses repaying the Covid loans and fewer visits to attractions with consumers spending less. SF reported that transport costs were a major factor in prohibiting people from visiting attractions more than once. She also reiterated AL's point of visitor economy businesses increasingly relying on cash reserves which was a real concern.

In consideration of the above, SF suggested that a summit between DEFRA, the Department for Levelling Up, Housing and Communities (DLUHC) and DCMS should be considered, to think about the issues affecting the industry. RNP agreed to consider this and further said that DCMS were keen for the tourism industry to nominate those who had made major contributions for awards.

ACTION: It was requested that slide decks from the recent LVEP conference which took place on 28th February be circulated to members.

3.0 Review of Strategic Matters

3.1 VE Strategy/Business Plan 24/25

10. LTS took the paper as read and briefed the Board on the VE Business Plan 24/25. It was in its third year of a three-year strategy with 2 key priorities: embedding the new destination landscape and to develop and deliver a sustainable visitor economy strategy for England. It was noted that attention would now be turned from the accreditation of LVEPs to supporting their development. VE would also prioritise DDPs in VisitBritain's Strategic Partner Framework for international promotion and VE's core activities. It was also noted that a draft of the Strategy plan would be ready by summer 2024 but engagement from the VEAB members was encouraged before its presentation at the June Board. Key priorities for the Strategy plan included focus on a strategic sustainable tourism narrative, further partnership working and exploring the AI arena.
11. The VisitBritain Shop was also discussed. AS advised the board that the VB Shop was currently subject to BTA Board review. The VE budget would be adjusted accordingly to take BTA's decision into account.
AS also presented a breakdown of VE'S budget which looked at the expenditure allocated to various themes of activity.

ACTION: AS to circulate further background information on the development of the England Consumer brand and a further draft of the Strategy for comment from members.

IT WAS DECIDED THAT: The VE Budget for 24/25 be approved.

SF left the meeting.

3.2 Revised Dashboard

12. LTS briefed the board on how VE was tracking against KPIs and outcomes set at the beginning of 2023/24 as set out in BTA dashboard reporting. LTS confirmed that VE had met their KPI targets (LVEP accreditation and Business Events development), and was projected to exceed the targets by the end of the financial year. LTS explained that the revised dashboard included new KPIs such as supporting SME growth through integrating and marketing the business support VEoffer and supporting English destinations to win more international business events through the MeetEngland platform and stakeholder engagement. LTS asked that the board consider a refreshed dashboard for VEAB that fully reflected the strategy and priorities for the year ahead.

ACTION: LTS to arrange a deep dive session on the revised dashboard and its metrics for VEAB to comment on approve in about a month.

PB joined the meeting.

4.0 Deep Dives

4.1 Business Events

13. PB shared his paper on Business Events with the board. PB discussed the current state of the industry and outlined the core structure of the new England business events strategy. PB explained that the new strategy plan for financial year 24/25 would create two frameworks on engagement to maximise existing VE resources.
14. PB also touched on the His Majesty's Government (HMG) Engagement challenges that VE continued to face. PB noted that there were limited HMG advocacy groups in sector strength areas when compared with Scotland, Wales and Northern Ireland. It was stressed that a stronger narrative was needed on business events beyond tourism and visitor economy with support from DCMS and Department for Business and Trade (DBT).
15. The Chair thanked PB on behalf of all. RNP agreed to work with PB to organise a meeting with DBT.

ACTION: RNP to work with PB to organise a meeting with DBT.

PB left the meeting.

6.0 Coventry and Warwickshire Local Visitor Economy Partnership

6.1 Introduction to the Region

16. NS warmly welcomed the board to the Coventry region and invited BF to share her presentation on the West Midlands DDP Update.

6.2 West Midlands DDP Update:

17. BF took the paper as read. BF explained that The West Midlands was in an extremely strong position to support a second DDP for England. The West Midlands had led a successful Business and Tourism Programme (BATP) in partnership with VE to leverage the benefits from the Birmingham 2022 Commonwealth Games which delivered an additional £17.6m impact to the local economy. BF also expressed a keen interest in discussing opportunities with VE, DCMS and West Midlands Combined Authority to continue DDP funding beyond the pilot phase.

6.3 Working with the DDP - the LVEP Perspective

18. BF briefly updated the board on the Coventry and Warwickshire LVEP and clarified how it would engage with the wider DDP for the West Midlands.

7.0 Papers to Note

7.1 Corporate Risk Register

19. The Chair noted the Corporate Risk Register. DL assured members that cyber security was being addressed by the BTA Board and the ARC.

8.0 Any Other Business

20. It was agreed to look into moving the date of the next meeting from 4th June to 5th June to coincide with the VE Awards ceremony being held that day.
21. NW requested that at a future meeting a session be held on LVEP funding mechanisms. AS agreed to conduct a desk exercise and share a paper for the next meeting.
22. No other business was brought to the board.

ACTION: Confirm change in date and add LVEP funding mechanism to forward plan.

9.0 Tour of St Mary's Guildhall

23. VEAB departed for the Tour of St Mary's Guildhall.

There being no further business to discuss the meeting was declared closed at 1420

The date of the next meeting is 5th June 2024 at 1000.