

BOARD MEETING

16 June 2021, 9:30 - 12:00

Visit Inverness Loch Ness Ltd, Virtual Meeting via Microsoft Teams

Visit Inverness Loch Ness Board Present

Emmanuel Dambier	ED	Ina Davies	ID
Cheryl Campbell	CC	Anna Low	AL
Jo De Sylva - Chair	JDS	Jane Slaughter	JS
Raoul Curtis-Machin	RCM	Helen Carmichael	HC
Debi Mackenzie	DM	Marina Huggett	MH

Also present

Michael Golding	MG	VILN CEO
Sabine MacDonald	SM	VILN Administrator

Apologies

David Shayer	DS	Julie Dell	JD
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BUSINESS

AGENDA ITEM 1

1. Welcome and Apologies

JDS welcomed everyone to the Board meeting and thanked retiring board members JA and GB for their contributions.

AGENDA ITEM 2

2. Declaration of Interest

DM and JS declared an interest in Item 6

AGENDA ITEM 3

3. Visit Inverness Loch Ness Goals and Objectives

JDS outlined the goals and objectives of the Tourism BID:

1. Ensure that the destination remains competitive with other similar sized destinations both nationally and internationally

2. Continue to grow the value and importance of tourism to the local economy
3. Create confidence in the destination for tourism businesses to invest and create more quality, all year-round jobs
4. Enhance the visitor experience and reputation of the destination
5. Ensure the long-term sustainability of a viable and attractive tourism destination that visitors will value and return to

In order to achieve these goals, the organisation is committed to delivering initiatives, both independently and in collaboration with others, under six key objectives which are as follows:

1. To better market and promote the destination nationally and internationally
2. To undertake initiatives that will improve the tourism infrastructure of the destination, particularly that relating to outdoor activities
3. To promote and support new and existing sustainable events and festivals
4. To grow the value and importance of business tourism to the destination by attracting more conferences and business-related events
5. To provide business development opportunities for member businesses
6. To be a strong lobbying voice on local and national issues that matter to member businesses

The board noted the goals and objectives. There were no further questions or comments.

AGENDA ITEM 4

4. Approval of Minutes

The minutes from the board meeting on 25th March 2020 were approved by DM and seconded by JS.

AGENDA ITEM 5

5. Sub-Groups

MG informed the board that the new Membership Subgroup which met on the 18th of May has appointed its first Chair, Debi Mackenzie. The Business Development Subgroup also appointed a new Chair, Jane Slaughter.

The following points are recommended by the subgroups to the board for approval:

- Terms of Reference addition: Two directors must be present at a subgroup to form a quorum
- Terms of Reference addition: All subgroups are to provide recommendations to the full board
- Terms of Reference addition: Subgroups are to retain authority to approve their own minutes
- Articles of Association addition: Director attendance is to remain above 50% on a twelve-month rolling basis, should it fall below, a customary review will take place with the board Chair

The board noted the appointment of two newly appointed subgroup Chairs.

The board approved the recommendations that arose from the subgroups.

AGENDA ITEM 6

6. Matters arising

Opt-In Membership

The pandemic has caused a significant impact on business turnover; this has highlighted a challenge for Opt In Membership as there are two methods of choosing a payment band. Some businesses pay a rate based on their premises rateable value with the Scottish Association of Assessors – in line with the approach used for levy paying members. However, other members whose business revenue is generated out with their office address pay a rate based on turnover.

MG informed the board that -

- There is not currently a terms of reference for Opt In Membership
 - This leads to potential exposure for the team and organisation
- The use of turnover leads to a deviation from the levy paying members whose fee is based on rateable value
 - This can create a reputational risk

To resolve this, a draft terms of reference for Opt In Membership is proposed and comments were invited:

“Members of Visit Inverness Loch Ness are charged a fee that is proportionate to the size of their business, based on the rateable value with the Scottish Association of Assessors. In the case of businesses that generate revenue from activities that do not take place within their business premises or those businesses that do not have a rateable value, annual turnover will be used to determine the appropriate rate. The turnover rate will be based on the most recent accounts filed with Companies House, alternatively if a business wishes to provide a copy of more recent signed accounts, the most recent turnover total will be used.

Visit Inverness Loch Ness retains the right to refuse Opt In Membership if there is a conflict with the values and aims of the organisation or that of its members.”

Following the approval of a terms of reference Opt In Members any members affected will be contacted.

GB commented that there should be a process to appeal refusal of membership and suggested to add in the right to appeal to the Chair.

The board approved the terms of reference including this addition.

AGENDA ITEM 7

7. Finance Report

MG talked the board through the financial report and highlighted the following points:

- At the previous board meeting the levy collection rate for 2020-2021 was 75%, in the subsequent subgroup meetings it was advised this had reached 83.5%. From speaking with 6 other BID's their collection rate ranged between 70% and 80%, benchmarking the organisation well. With the latest update received from Highland Council the collection rate for 2020-2021 is around 93% with 42 businesses and a total of £7k left to collect. This will provide approximately 25k additional income beyond our previous projections.
- At the previous board it was projected to have a yearend positive balance of £45k, added to opening reserves of £40k this led to projected opening reserves of £85k. Due to the treatment of prepayments from a number of grants totalling £19k, the yearend closing position was £74k. Due to this the Yearend projection for this financial year is aiming to be -£24k to reach the target £50k reserves.
- The General department is projecting an increase in levy income of £39k in line with the updated previous year collection rate. There is 8k in additional prepayment income and a further 4k in general increase in income. There was a £1.2k saving in office rent as an agreement was reached not to pay for time where office access was not available and to carry a previous credit. However, there was a £2.4k increase in prepayment costs from professional memberships and insurance.
- The Marketing department shows a £5.4k reduction in income due to prepayment being coded in general, however there is an additional £2.6k of income from banner sales that leads to a position of -£2.8k. A prepayment of £16,380 was released in the marketing costs, the remaining difference is an increase in the marketing budget to produce the targeted yearend position.
- The Business Events department is performing in line with expectations and is fully funded by HIE and the Inverness Common Good Fund.
- The Events department is also performing fully in line with expectations.
- The Infrastructure department shows an additional £205 cost, which was the sourcing of external support for the Loch Ness Ranger funding application to Nature Scot, which was successful.

- The Business Development department is performing in line with expectations.
- There are a number of items that pending confirmation will impact this yearend project:
 - VisitScotland Marketing Fund – up to £100k increase in marketing income and spend. The application is due by June 29th.
 - HIE DMO Fund – 65k increase in general income and overheads for two full time staff. A further £47k of income that will support existing staff costs. This is verbally approved and we are awaiting an offer letter
 - Previous year collection – an estimated £25k has been collected belonging to the previous financial year, this would increase the opening reserves
 - This could increase the total turnover by up to £238k with a £72k increase in flexible funds. The leads to a potential turnover of £588k, compared against a previous average of £345k since the organisation began.

The board noted the yearend projection of +£50k in line with target reserves.

The board noted the anticipated further income.

There were no questions or comments.

AGENDA ITEM 8

8. Business Plan Progress Report

MG talked the board through the business plan progress report.

The board noted the progress of the Business Plan at 69% complete.

The board noted the aim to reach 88% complete by end of March 2022.

There were no further questions or comments.

AGENDA ITEM 9

9. Performance Report

MG talked the board through the performance report highlighting the following points:

- The General department shows a slight increase in the Business Plan progress, due to the appointment of a Loch Ness Ranger. Highland Council have invoiced 412 levy paying members this year, an increase of 3. Opt In Membership has shown a slight increase. Media coverage has been significant at 2.5 times per week and showing growth over the last twelve months.
- The Marketing department shows signs of a website recovery with 150% month on month growth and initial signs are this trend is continuing through June. Social media followers now touching on 57k, was quoted as “over 40k” in the 2019 Business Plan.

For the first time the organic reach of social reached in one month totalled more than 1 million people.

- The Business Tourism department shows an increase in the number of meetings and presentations as well as planning potential event attendance for later in 2021. There is also funding from the Inverness City Recovery Marketing Fund for creation of a Business Events video.
- The Membership department shows the increase in members subscribed to emails is now at 80%, from 54% a year ago. There was also a Transport Webinar which was well attended in May.
- The Infrastructure department receives quarterly updates from the people counters on the South Loch Ness Trail, currently awaiting the latest update for the last quarter.

The board noted the performance report.

RCM enquired whether there were plans to introduce responsible tourism into the performance report. MG explained that now that the Rangers are in place VILN will receive data that can be measured and this will become part of the performance report going forward.

DM asked if the achievements highlighted in the performance report will be shared with members. MG informed the board that these would be included in newsletters and there were also plans to introduce newsletters focussed on member benefits.

There were no further questions or comments.

AGENDA ITEM 10

10. Key Projects, Funds and Events

MG talked the board through key projects, funds and events.

- The Inverness Influencer Lodge first took place in October 2020 with four domestic influencers visiting the destination. The second half of the project is due to take place in September with a further 12 influencers due to visit. The Business Development Manager is working closely with project partners Visit Scotland on delivery.
- The Loch Ness Ranger project has developed into two strands:
 - Our own project, of which we have 50k approved of an 86k budget, however a funding application for the remaining balance was not accepted as part of a wider application as the funder did not wish to be seen as a resource for Rangers.
 - An application was made to Nature Scot for a six month ranger post, to be employed by Highland Council. We are delighted to say this role has been appointed and is supported by two other staff.

- With this in mind a request has been made to SSE for the 50k to be used to extend the post through Highland Council by the period the funds cover.
- There has been an application for the BID Resilience Fund Round 3, totalling almost 21k. The application includes procurement of a new high-quality image and video library - following feedback from a member survey, a budget for PR and media support which is currently all in house and finally a budget for recovery related signage – this would both improve visitor experience, relationships with communities in tackling key challenges and increase the number of visitor facing locations of the organisation. UPDATE 12.5K OFFER RECEIVED 15/06/2021
- The HIE DMO Fund has been verbally approved for approximately 295k over a three-year period, an offer letter confirming is expected imminently.
- The Inverness City Recovery Marketing project is progressing well, with outputs including a range of blogs, sky ad, MFR campaign and a further 11 outputs planned over the rest of the financial year. This project is in partnership with Inverness BID and Highland Council.
- VisitScotland have launched a destination marketing fund, Visit Inverness Loch Ness is the only Highland DMO which qualifies for the top tier of funding as it includes the city of Inverness. Applications for up to 100k must be submitted by the 29th of June and include insight led justification of a new, non-generic, unique selling point with a broad range of deliverables and high levels of stakeholder engagement. The team are prioritising producing an effective application.
- The Membership Manager has delivered 30 lamp post banners in Inverness with sponsorship from a number of businesses to extend the campaign, the banners are due to feature in the media over the coming week. The project received 5k of funding and has been almost matched through sponsorship
- In total the new Projects and Funds Register shows the recently completed, active and forecasted activities. In total there is a forecasted total of £804,591 in additional revenue, equivalent to 4x one year of annual levy. It is however important to highlight the staff time challenge this creates, therefore tactical use of external support will be important to deliver such a scale of funding. The Finance and Governance Subgroup reviews the full register quarterly.

The board noted the updates on the Projects and Funds.

The board were asked to comment on the report.

JS enquired whether the fund allocated to PR from the BID Resilience Fund would be sufficient.

MG explained that these funds would be used to “test the waters” on PR initially. JS offered to help with this project.

RCM asked how a “new project” would be defined in terms of the VisitScotland destination marketing fund. MG explained that suitable themes had been provided by VisitScotland in the guidance for this fund.

JA asked if there were any updates on the job specification and timelines for the two roles created as part of the HIE DMO fund application. MG explained that VILN are currently still waiting for the offer letter, but can move quickly on this once this has been received, possibly 3 months from the offer letter to the new members of staff being in place.

JDS highlighted the importance of not putting staff under too much pressure at this busy time.

There were no further questions or comments.

AGENDA ITEM 11

11. Risk Register

The Finance and Governance Sub group reviewed the Risk Register and agreed that it be shared with the full board. The register has been circulated with the papers for Directors to review and comment.

The board noted the Risk Register.

There were no questions or comments.

AGENDA ITEM 12

12. HR

MG highlighted the following points:

- The team meet weekly on a Monday to discuss work progress, provide updates and resolve matters. A further social call takes place on a Friday to ensure the team maintain positive mental health. In addition, flexibility of working hours is offered where possible to support a positive work life balance.
- There is an intention to appoint two new full time Destination Development Manager's for a three-year fixed term, pending signing an offer letter from funders HIE. Directors are asked to support this recruitment effort to ensure the right candidates are found for these key posts.
- Four directors attended a BID Director training course through British BID's and are invited to share feedback from this session. Two further directors are due to attend a session before the next board meeting.
- The Chair and the Subgroup Chair's are remaining on the call following the conclusion of the board meeting to discuss the role and expectations of these leadership posts, as all have been appointed within the last six months.

The board noted the working methods to support the team.

MH and JS highlighted that the British BID's training will be useful for new directors and will increase confidence.

AGENDA ITEM 13

13. General

MG highlighted the following points:

- Directors Graeme Bell and Joyce Arbuckle are due to stand down from the board at the 2021 AGM. A nomination scoring sheet is being used to define the needs of the board for future directors. Currently there are two strong potential candidates, who have an interest and score highly against the needs of the board. Directors are asked to consider if there is a need to expand this search further if two suitable candidates are interested.

The board agreed that there is currently no need to expand the search for candidates.

- The Loch Ness Tourism Strategy development process has begun; Visit Inverness Loch Ness are central the strategy and leading in the work. The Chief Executive is working with the Ward Manager, Visit Scotland and Highland Council to set out the aims and ambitions of the strategy. Multiple meetings have taken place since the last board meeting and another is planned in a month to set out a specific scope and key individuals. As tourism interacts with a significant number of sectors the scope and outcomes must be clear from the beginning.

- The newly appointed design agency, 2bcreative, have been delivering a range of outputs with updated branding, this includes creation of the 30 lamp post banners, an evolution of the logo, association “member of” “director of” etc, airport advertising and more. There are also a number of further planned activities, this has all been funded by the BID Resilience Fund Round 2. Whether visitors see the website, lamp post banner, advertising the brand is consistent and will improve the visitor journey and brand identity. Directors will be provided with a version of the logo that can be used as appropriate, such as in an email signature.

- Visit Inverness Loch Ness is involved in the River Ness Hydro project, led by Highland Council and SSE, it will deliver a renewable energy source and be a STEM education centre. There will also be the chance for visitors to interact with the facility. Visit Inverness Loch Ness have been asked to lead on the provision of visitor information, which is a great opportunity to highlight members, greater exploration and for brand visibility. The facility is due to open next year.

- The Business Development Manager is working with VisitBritain and VisitScotland, after the destination was chosen to be part of a campaign focused on the Indian market. This will include a range of presentations and marketing activity. The Indian market has been growing and has a remarkable length of stay, however our destination has not previously tapped into its market potential.

- A sustainable tourism pledge is aimed to be delivered before the peak season begins, this will set out the organisations position and celebrate the work being done across the destination, including celebrating the world leading renewable technology in the energy sector.

JS and RCM volunteered to support the Chief Executive to deliver the sustainable tourism pledge.

- With the significant increase in media activity and release, averaging almost weekly, it is suggested that the board be copied into media releases when they are issued. The board agreed to inclusion in press release emails.

- In addition to the increased media coverage the team, with the support of the Chair, have produced media centre page on the website. This is the first time there has been such a page and it provides information on the services available, the latest releases and the opportunity to get in touch. The hope is that in addition to proactive releases this will organically create a simple way to receive informed enquiries.
The board noted the production of a media centre.

The board noted the general updates.
There were no questions or comments.

AGENDA ITEM 14

14. AOB

MG informed the board that VILN are looking for a new book keeper and asked directors for recommendations for contacts.

AGENDA ITEM 15

15. Meeting Review

NEXT BOARD MEETING

Date – 8th September 2021

Venue – Virtual via Microsoft Teams