

Note of STA Board Meeting Wednesday 2nd of October 2025 Glen Mhor Hotel, Inverness

In attendance

Rebecca Brooks (RB), John Henderson (JH), Alex McKie (AK), Calum Ross (CR), Alison McRae (AR), Michael Golding (MG), Marshall Dallas (MD), Clare Winskill (CW), James Withers (JW), David Lonsdale (DL), Martyn Wilson (MW), Emma Simpson (ES), Jane McFadzean (JF)

Online

Alex Borland (AB), Stephen McGowan (SM), Ian Stokes (IS), Geoff Ellis (GE), Rob Wicks (RW)

Apologies

Scott Inglis (SL), Elaine Wilson (EW)

In attendance – STA

Marc Crothall (MC)

Ruth Souter (RS) – Minute taker

Welcome / Apologies - RB

Apologies were noted.

Minutes from 30th April 2025 - RB

Minute was approved.

Matters arising – Amendment to be made to note.

MG Proposer

CR Seconding

Meeting Part 1

1. Welcome and apologies.

- RB welcomed those present and online.
- A short intro from each of the Board members

2. Minute of last full board meeting – April 2025

- MG Proposer
- MD Seconding
- No other matters arising.

Points to note:

AM, JW, CR and DL's final Board meeting.

Intention to include VL under STA Manifesto section of today's meet.

3. STA Financials – 24/25 Year end / Chairs Report
25/26 Year to date end July
25/26 Year end rolling forecast.

Chair Report underway – written by MC, revised by RB.
Final copy to be distributed on the 18th of October.

Chair Reports Highlights

- Reports highlights an overview of STA's engagement with the political environment, namely the Labour Party representatives and Scottish Labour.
- The document tells the story of the work we have been undertaking around the Visitor Levy, which is on-going.
- Covers STA events, including AGM and Fair Work Enquiry at Murrayfield, Patrons event at The Social Hub, SCOTHOT, as well as tourism month – the STA conference and gathering.
- Recognition to our Patrons and Supporters.
- Overview of recruitment of new STA Board members through recruitment agency, Odgers Berndtson.
- Membership movement has been positive, onboarding new members such as HotelPartner, Trump Turnberry, RSM UK, Highland Coast Hotels, Cromlix and Booking.com, W Hotels and Simpleview, to name a few.
- Recognition to those that have renewed their commitment to the STA.

Accounts

- Financial reports produced by AAB, highlights our balance against the budget to be negative £34K.
This is largely due to the phasing of the accrual. Plus, we unfortunately lost a couple of very last-minute patrons.
- As shown in the projection of the rolling forecast and where we currently sit, is that we will see a positive output of £35 to £40K coming through in this financial year. This is due to the uplift in the increase in subscriptions, plus the accrual.
- Definitive numbers to come through from AAB, so refinements may need to be added.
As part of due diligence, we have undertaken a VAT review, which may result in some adjustment.
- Administered a load of grants for everybody else, so Scottish Agri tourism, everybody else.
- From a financial point of view, AAB are doing well in getting us into a position of stability –
- £165k in bank, £60k in membership coming in.
- Sector calls highlight a shrinkage in some markets, growth in some, but overall, less spending. These sector calls give us an evidence-based feed in from the industry.
- Conference activity up £30k from last year.
- Membership renewal bulk uplifts in April and October.
- Noted that many membership organisations are concerned about 2026, with the need to focus on new members and retention.
- MG agreed that transition to AAB has been successful.

- Need to build cash reserves. Covid has given insight into the support the government gave and important for STA to have a view to align with this.
- Difficult environment and poor landscape with many organisations going into administration i.e. VisitKent and Greater Manchester Commerce.
- RB re-iterated economic climate:
- David Edwards from Scattered Clouds has said that “UK public finances are facing a hurricane” – The Bank of England are unlikely to make any more rate cuts quickly over the next year. So, money is still expensive for our businesses trying to borrow and the price of goods and services in the tourism space outpacing the cost in other spaces, so it's even more detrimental.
- Exchange rates written over the last 15 years have been more competitive than the 15 years prior on most exchange rates. However, it's now costly.

International Passenger Survey (IPS) Figures as stated by RB:

- 2019 visitor levels for the most popular destinations in the UK - London, South-east England, then Scotland.
- Scotland is approximately half a million visits up in 2019, but essentially London and the Southeast are not. Scotland is outperforming the rest of the UK in terms of that, but that, but no one in the UK are outperforming Europe.
- 26% growth, however, modelled on inflation, it is 13%
- The luxury market is still performing well. The more affordable products are relatively strong, the middle bracket is seeing further challenge.
- Cost parameters in the UK are huge in comparison to our European neighbours, as well as becoming more expensive for our American visitors. Where is saturation? Especially with introduction of Visitor levy.
- Visit Britain grant is approx. £18.4 visit England. Ireland has 250 million to market themselves internationally.
- MC agreed to help implement a plan for pathway into 6-month reserves.
- Importance on not being reliant on conference finances – risk and resilience.
- MC noted that cash reserves are currently sitting at £50k.
- Currently forecasting new membership target at £25k for this financial year, and already sitting at £16.5k.
- £12k membership locked in for this financial year.
- Importance in nurturing our members and keeping them interested via an array of different events i.e. STA Paddle day organised through Cumberland Building Society, RSM UK event.
- Important to show the benefit of activity in kind. RS and MC will produce a document to highlight the monetary equivalent of Contrasts/Sponsorship.

RB requested new Board members support and advise in the following:

1. Getting to 6-month cash reserve
 2. Membership fees
 3. Generation of new income
- Noted from Board that MC handled the accounts deficit very well and that this is the first time in 12 years that there has been a deficit.
 - Acknowledgement made with regards to the challenging economic climate and hard to manage small budget. Deficit demonstrates the huge impact from large businesses when they withdraw their membership.
- 4. STA Update – STA Coms, HAS, Events (AGM & Patrons)**
- Recent change in personnel. Shonagh Davidson has now departed, and our new Communications Officer Klara Lind officially starts on the 15th of September.
 - Klara has moved over from the Graduate Comms role within VisitScotland to join us, so has excellent knowledge of the sector.
 - Thanks to Emma Simpson for all support and advice in HR.
 - AGM, seminar, and networking events takes place on Thursday 2nd of October at The Social Hub in Glasgow. Thanks to those who have confirmed their place with us.
 - The partner fee from The Social Hub removes the cost of the AGM.
 - Guest speakers include Thomas Pugh -Economist at RSM UK, Jill Walker – Director of Marketing and Digital, VisitScotland, Richard Lochhead, MSP – Minister for Business and Employment.
 - On-going relationship with VisitScotland remains positive.
 - STA charging management fee to Hospitality Apprenticeship in Scotland. It is independent of the STA and fee is charged for administration work carried out by Esther Wells.
 - 3rd of December – STA are hosting a joint dinner with VisitScotland, as well as prominent business leaders in the industry. This will be held at The Royal Yacht Britannia. Again, this will be hosted via our partnership with Cumberland Building Society, with costs covered by them.
 - STA will not be holding a conference in November 2025, but will continue to host the Signature Conference on the 9th and 10th March 2026 in alignment with Scottish Tourism Month.
- 5. STA Minister Govt meets - Council, DMO Forum updates.**
- Positive political engagement with UK government Scottish office, including conversation with the First Minister regarding the Visitor Levy.
 - Kirsty McNeill has attended our events and subsequent activity with her.
 - Plenty of local authority engagement around potential implementation of VL.
 - Stirling, Perth, Fife, Aberdeen, Glasgow, Dumfries and Galloway, East Lothian and Argyll will go to vote on the 24th of October. All councils are different stages of the implementation of the levy.

- Stirling Council has appointed someone to do a deep dive into the VL with many people engaging in public consultations. This is positive and highlights cost pressure and household budgets.
- Support from the Cabinet resulted in amendment to legislation via the housing bill, which may entail a shift from the % model to a flat fee model. This will move towards the end of 2025 and will not require another 18-month consultation.
- FAQ's from VisitScotland still to go live, which includes a set of questions for industry.
- Guidance from Edinburgh City Council still not clear, which therefore make the levy difficult to implement. They have requested that accommodation providers keep a register of bookings for October, alongside the rate. This poses questions regarding liability/bookkeeping policies.
- Concerns that if VL is devolved to LA's to make decisions will lead to inconsistencies and confusion.
- VAT queries still raise concerns and STA still in conversation with treasury regarding this, but still not clear. As it stands, it is still vatable.
- Industry must push for a scale to measure the success of the scheme, with overall concerns that it will cost more to implement, than revenue made.

6. STA Election Manifesto presentation & Discussion

- Engagement commenced in a formal roundtable with policy working group and members of the board - Thank you, Stephen McGowan, again for hosting us in TLT LLP.
- Many thanks to Chris Foy, who provided solid suggestions towards the Manifesto.
- Consists of 5 Key Areas and headlines to grab hold off, with the key aspect of storytelling.
- The Union, as part of our Contra deal, will provide the finalised version in a glossy format as well as a digital tool.
- Title of the manifesto is 'Scotland Champion Connect Invest'.
- Aligned into the Outlook 2030 priorities.
- Positive message highlighting the opportunity within the Scottish tourism industry - the sector as a future industry, a safe industry and how we elevate the profile and the significance of tourism, and the balance affected in the economy to drive growth.
- Conscious on new MP's coming into parliament who will have no/real in-depth knowledge of sector.
- Golf tourism, marine tourism and hospitality have been highlighted and what these industries mean to the economy.
- We are now a sector that employs more jobs than any other sector in the economy.
- Advocating representation at the top table, for a cabinet secretary or ministerial role have that voice there.
- This role is crucial for investment into Scotland's events and Scotland DMOs. A partnership between us and government with sector priorities being the focus.
- Deadline for further comment/amendments by Monday 15th September.

The Manifesto will officially be launched at our AGM on the 2nd of October and live on our website [here](#).

7. Future Vice Chair appointment

- Requirements needed to appoint a new Vice Chair. Board asked to contact Marc Crothall and Rebecca Brooks if interested.
- Formal thanks extended to Calum Ross for stepping into this role until new VC named.

8. DMO and Council Meetings

- Held week beginning 26th April 2025, with both holding common agendas on matters arising within the industry.
- Natalie Clayton and Simon Numphud from AA Media were invited to speak within the DMO session.
- DMO's main concerns highlighted are funding and stability with future bookings being a big concern for all.
- Representative for Visit Arran, Sheila Gilmore, highlighted the impact the ferries were having on the Island with 70% of those met at VisitScotland Connect 2025, stated they would no longer entertain going to Arran due the on-going ferry problems.
- Main thrust between both DMO and Council meets revolved around both the Visitor Levy and an update to our members on the new Board appointments.

9. AOB

- Formal thank you to the Board of Directors stepping down on the 2nd of October – they have been passionate advocates for our industry and their contributions have been invaluable.

Date of next Board meetings

STA AGM	2 nd October 2025 09:00 – 14:00	Glasgow
Board Meet	3 rd December 2025 –	Edinburgh
STA/VisitScotland & Business Leaders Dinner	3 rd December 2025 – The Royal Yacht Britannia 18:30 – 22:30	Edinburgh
Board Meet	28 th January 2025 – RSM UK 15:00 – 17:00	Edinburgh
Patrons and Business Leaders Gathering	28 th January 2025 – The Royal Yacht Britannia 18:00 – 21:30	Edinburgh
Board Meet	29 th April 2025	TBC
Board Meet & Strategy Day	23 rd June 2025	TBC

STA 2024/2025- Meeting and Events

Ongoing 3-weekly Sector Check-In Calls	3 weekly – next meet 20 th October 12:30 – 13:15	Online
Council Meeting and early evening gathering	10 th December 2025 – Tennent's Training Academy – 15:00 – 19:30	In-Person
Council Meeting	21 st April 2025 – 14:00 – 16:00	Online
DMO Meeting	8 th December 2025 – 14:00 – 16:00	Online