Note of STA Board Meeting
Wednesday 28th January 2026
The Royal Yacht Britannia, Edinburgh

In attendance
Rebecca Brooks (RB), John Henderson (JH), Alex McKie (AK), (AR), Clare Winskill (CW), Martyn Wilson (MW), Emma Simpson (ES), Jane McFadzean (JF) Fiona MacConnacher (FM), Ian Stokes (IS), Geoff Ellis (GE), Rob Wicks (RW), Scott Inglis (SL)

Online
Michael Golding (MG), Stephen McGowan (SM), Marshall Dallas (MD), Elaine Wilson (EW)

Apologies
Alex Borland (AB)

In attendance – STA
Marc Crothall (MC)
Ruth Souter (RS) – Minute taker

Welcome / Apologies - RB
Apologies were noted.

Minutes from 3rd December 2025 - RB
Minute was approved.

Matters arising –
Proposer
Seconding

Meeting Part 1

Minutes of last full board meeting –3rd of December - Update on actions – RB

Points brought forward included discussions of following:

- Year-end forecast showing to be slightly different from what was initially forecasted.
- Discussions need to take place regarding a deep dive meet with the new Board members mapping out our patrons and membership options. MD suggests showing data highlighting current membership mix.
- TEAMS call to discuss deep dives to be arranged for March post conference. Doodle poll to be sent requiring availability.

CEO Report - paper attached – MC.

- RB keen to re-introduce this report. MC to highlight anything to be embellished from report.
- AAB produced our final report including the STA's full year positioning to Period 9.
- We are in a good position for a non-for-profit and still financially on track, however, important we continue focussing on hitting forecasted numbers for the rest of the year.
- Conference figures will show in Period 12.
- March/April show the bulk of STA membership renewals, which will start to flow through the invoicing process.
- Three new members in last 2 weeks.
- Budget forecast shows to be on track, however, a slight variable due to on-going VAT issues.

AAB and STA VAT meet

- SI, MC, and RS attended meet with AAB regarding on-going VAT discussions and concluded that VAT payment is estimated at approximately £12.5K.
- In-depth discussion was held over the STA Associate membership category and AAB believes that VAT needs to be charged on top of these memberships.
- AAB has highlighted the membership structure to the HMRC, who will in turn tells us what we need to pay. This can take circa 9 months to receive a response from them.
- STA team agreed to list those members under the Associate category to determine a figure. In agreement with SI and AAB it was thought to be worst case scenario a total VAT liability of around £10K.

SI highlighted the following points from the meet:

1. The need for a restrictive membership and prove this going forward.
2. Three categories of membership need to be looked at to determine VAT position.
3. STA and AAB on-going course of action already taken on the matter is pragmatic and shows we are confident in what we're doing.
4. Possibility that HMRC will get back to us regarding the matter over such a small amount to declare (although we cannot rely on this and must forecast monies due to them)

In conclusion, the following points were noted:

- Adjustment made at end of 1st year due to VAT issues.
- Numbers previously reported to the Board at the end of last year has since changed.
- HMRC can reach back into company accounts over a 4-year period.
- Course of action – MC and RS have re-categorised some Associate memberships into the Affiliate membership category, to align to show they are direct front-facing tourism businesses. These businesses have since been listed under this new category. [i]

- Website has been updated to reflect membership categories and wording adjusted. [1]

STA Finances and updates MC

- Accounts show that STA have £65K in reserve account, as well as £71K in cash sitting in bank.
- Awaiting further sponsorship money to hit account.
- MG is happy that we are heading in the right direction, however, would like to see a *reserves* line included in the balance sheet.
- Budget for next year needs to be prepared. MC has advised that the revised accrual forecast is due back imminently and he is preparing the budget for early March.
- Subscriptions have been lifted by 7/8%, this new number will be included into accruals.
- Draft of target with membership included as key for mid-February.
- MD highlights the importance of ensuring a reasonable budget is in place before pay rises etc are made.
- RB suggests a process point of budget and an interim TEAMS meet to interrogate the information and adjust at the budget sign off.
- AAB have confirmed they will provide information needed to move forward for w/c 16th of February, enabling MC to have draft prepared for the end of that week.
- Pleased to announce that Klara Lind joined us and has since moved to 24 hours per week and delivers 2-newsletters monthly.
- We now have a total of just over 10K LinkedIn followers and a database of 5000.

STM STA Signature Conference update

- MC predicts a target of £52K against £85K, comprising a combination of sponsorship monies and ticket sales.
- A special thanks to MG for his advertising of the STA Programme which has generated a good number of sales for the STA.
- Line up for the 2-days is now complete, with more comms to be announced.
- MC asks the board to come together in a collective effort to share and report the conference via their channels.
- Should be noted that next year the conference shall be moved to February in alignment with SCOTHOT.
- Collective need to generate ideas to get more cash into the pot and make profit. What are other businesses doing in the current climate? Can we use this to help us?
- Current environment is making it harder to encourage sponsorship for events as more businesses looking to save money.
- It has been shown that when the STA are in the media, there is a spike in membership sales. Therefore, useful to break memberships down to show new board, who in turn can promote to their contacts.
- Patrons' evenings are worth their weight in gold to the STA and delivered at cost neutral.

[1] Membership Fees

<u>Meeting Part 2</u>

- The Board are the governing group of the STA. In turn means they have the overall responsibility for the culture and health of the company.
- The Policy Working Group (PWG) are responsible for the shaping of the manifesto.
- The PWG will approach the board concerning policy matters and the board will have the ultimate decision.
- Therefore, important for the board to be aware of all current topics and be seen to working on them.
- The Policy Working Group meets quarterly and then sub meets are scheduled when needed.
- Council and forum group meet quarterly and discuss matters arising in industry.
- A sector call take place every 2-weeks and involves those direct businesses on the ground.
- DMO meets are slowly dwindling due to a lack of funding, however, we join in on SLAED (Scottish Local Authorities Economic Development) meets quarterly.
- The Board members are always welcome to any meeting they wish to attend to gain understanding on current issues and topics pertaining to the industry.
- Terms of frequency – as and when from the Policy Group.
- MC has been asked to circulate information in real-time dependent on its importance.
- Historically TVL, Business Rates, windfarms, etc have been lobbied. However, important to take Board's views on board when taking on a policy position that is not straight forward.
- The Trades Association Scotland covers areas such as Scottish Renewables, food and housing, salmon, whisky, have a slightly different agenda and meet every 6-weeks. They produced a joint manifesto, collective of large industries.

Policy Discussion – **EW and MC**

TVL

- Expedited bill tabled a few weeks ago to allow Local Authorities to change their pricing structure.
- 4 round tables attended with low budget accommodation sector.
- Presented to the committee on how the bill should progress and recommend a flat fee and remove the percentage option.
- We are asking for a simple 4-week adjustment and believe bottom end tier of the accommodation providers should have a separate price point.
- Currently going through Stage 1 and will be a position to know if it has been passed in mid-March.
- Important for the government to make a risk assessment.
- Ability to bring forward a secondary legislation cap. We want the government to have the ability to put a cap on the nightly rate or unit i.e., Edinburgh capped at 5 nights.

- IS believes a SME scale needs to be discussed. There are still rooms in Edinburgh for £13 per night. A need to know what we are doing to be competitive. The domestic market is simply looking other than Edinburgh.
- GE explains that for his shows, many take 50 rooms for 3-weeks. However, now are looking at cheaper option of putting a bus on and staying out with Edinburgh instead.
- It is hoped that guidance will allow authorities to adjust coincide with issues such as seasonality etc. Important to note that many Fringe artists are here for 3-months, will there be an adjustment to accommodate them. This may result in a huge change during the summer months for accommodation providers.
- Possibility of having a differentiation between urban and rural.
- The TVL needs to be as simple as possible, ensuring it is presented on the right level. If there are too many adjustments, then companies will not know what applies to them, making it harder to implement.
- The TVL is not a way for LAs to generate income, but impact on business. We have made it clear on the guidance that impact is what we want the LAs to concentrate on.
- Research is showing that: Manchester have a levy of £2/3 per night, Westminster wants to push for the % model, despite what has happened with Scotland, England are now pushing for this model too. Talks with Edinburgh Council in place for consultation. RB has said we will not stand over this. We need to see a re-investment into industry – a good starting point would be re-investment into DMO's.
- RW adds that in Aberdeen a forum is used for recommendations and is good for building relationships.
- Businesses are worth less now, due to the re-evaluation in non-domestic rates, and when a business applies or appeals this can take up to 2-3 years, yet in the meantime, the business still needs to pay!
- CW expresses her concern with the idea of over-tourism in Skye and Northern parts of Scotland. This simply is not the case, and she states that over-tourism does not exist and that the reality on the ground is somewhat different from the media viewpoint. She believes it's important to communicate with our partners and let them know to stop conveying this inaccurate message.
- Shift to reduce the 18-month window shouldn't be on the table and an emphasis on the importance on a flat fee, alongside lower end accommodation i.e., Dormitories, hostels, etc.
- Important to note that administrative costs are still not being discussed – why?

Scottish Budget

- Still in our usual situation- not quite what we in industry are looking for.
- From a tourism perspective, positive take about us.
- Visit Scotland seems to concentrate on events promotion rather than DMO budget.
- Recent Business Rates – Scottish Government reliefs for businesses – 15% relief for pubs (UK Government) however, how will this play out.

- MW believes mega events are still sitting at the core. He has concern over strategy and stimulus, with over focus on key times of the year. Visit Scotland, through Event Scotland, are using the Edinburgh Military Tattoo as a catalyst.
- Nothing in the budget was particularly positive for the events or hospitality industries. GE highlights that that he shares the exact same building as an office, however, his rate differ (are higher) for the exact same product. This is not a good landscape for the hospitality industry, and this is evident through closure of venues.
- During a recent Charlotte Street Partner session, MC states that the political budget has modelled 1% pay rise for the public sector and the next 3-year forward plan looks volatile.
- Large events such as the Ryder Cup, The Tour de France 2027 Grand Depart and the Euros are being discussed with Scottish and UK government, this is positive, but there is a need to get the rest of the country moving forwards too.

STA Manifesto

- Emphasis on the importance on how we position our narrative and level we need to engage in lobbying.
- The political environment is changing and historically we lobbied to one party. Now there is a need to engage with other parties out there such as Labour and Reform. This will be a more challenging environment for us.
- Or STA Partner, Patrons and Ministers event tonight has lost various MSP's this evening due to parliament running over. Brian Taylor has agreed to give and election overview and reveal what the political outlook will look like for us.
- We have 40+ exiting MSP/MP's this year and it is imperative that we need time to re-educate these new politicians on our industry. The understanding level of our industry will reduce, and new politicians will only pluck bits of our manifesto that suit. We aim to ensure a deeper understanding through the facilitation of round tables with business and political parties.
- There is a need for a CORE message to Government when we lobby.
- There seems to be a complete lack of awareness as to what is happening in not only the North, but also the South of Scotland.
- It must be remembered that the reason we have been successful with the Visitor Levy adjustment is because we brought the solution to them. We can use this, alongside supporting evidence to take solutions to government.

Meeting Part 3

Future Board agendas, ways of working, board engagement, and support.

What will the STA look like in the next 6 months?

- MC to produce Chief Executive Report
- Lean on Board members based on skills set.
- Members to attend at least 3 of the 4 Board meetings.
- Deep dive needed into new membership.
- Board has overall governance of the STA and support Chief Executive.

- Council contributes well.
- EW works termly. How do we utilise the Board when she is not here.
- Event and Tourism Directive are no joint
- Scottish Enterprise are now redundant.
- Media – what can we do around May elections – utilise Shine PR – prime time spots, radio slots etc.
- Business growth agenda in the run up to the elections
- Diversity of Board is its strength to broaden skill base.
- Non-Domestic Rates is still a current topic and we've still not worked through this.

- What we need to work towards:
  - Events
  - Non-Domestic Rates Relief
  - Invite politician to 1-2 Board meetings to offer value.

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Vice Chair update

- RB will email next week to announce position on this.

- AOB- **ALL**

- Motorsport – RW to give 10-min chat regarding this at next meet. Was highlighted that 65% of people attending coming from overseas.

Meeting Part 4

- Patrons and Business Leaders with MSPs Reception – **MC brief**

- Caravan and Motorhome Club are sponsors as well as Anderson Strathearn and The Union.
- Many of the MSP/MP's have cancelled due to on-going Parliament commitment.

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[i] Membership Options

No VAT on the following memberships:

Alliance Membership – Tourism/Destination Groups. UK National Trade Group. Island Tourism

Affiliate Membership – Tourism & Hospitality Business: Accommodation providers, Restaurants, Pubs, Bars and Cafes. Visitor Attractions, Event Venues, Destination Marketing Companies, Travel Companies, Booking Agents, Tour operators, Airport and Transport Operators.
VAT added to the following memberships:

Associate Membership – Suppliers to industry: Independent Consultants, Professional Advisory and Business Support Services. Academic Institutions and Public Agencies.

Supporter – Bronze and Silver
Patronage – Gold and Platinum