

No 242

THE NATURAL HISTORY MUSEUM

AT A MEETING ON

TUESDAY 24 FEBRUARY 2015

AT 9.00 A.M.

AT THE NATURAL HISTORY MUSEUM

Present

TRUSTEES

Lord Green of Hurstpierpoint (in the Chair)
Professor David Drewry
Professor Christopher Gilligan
Professor Sir John Holman
Dr Derek Langslow CBE
Simon Patterson
Professor Robert Stephen John Sparks FRS CBE
Dr Kim L Winser OBE

In Attendance (alphabetical order)

Frances Allen (Minutes)	Executive Assistant to the Director and Secretary to the Board
Rachael Castles	Head of Internal Affairs
Sir Michael Dixon	Museum Director (and Executive Board Chair)
Sarah Fellingham-Adkin	Head of Commercial (for Item 8 and 9)
Neil Greenwood	Director of Finance and Corporate Services (Executive Board member)
Chris Hills	Head of Human Resources (for Item 7)
Dr Sarah Long	Museum Registrar (for item 10)
Sarah Marfleet	Head of Membership (for Item 8 and 9)
Dr Justin Morris	Director of Public Engagement (Executive Board member)
Professor Ian Owens	Director of Science (Executive Board member)

CLOSED DISCUSSION

1666 DIRECTOR OF DEVELOPMENT APPOINTMENT

The Board held a closed session, with only the Director in attendance, to discuss the recent Director of Development appointment.

OPEN DISCUSSION

Preliminary

1667 APOLOGIES FOR ABSENCE

Apologies were given by Prof Sir John Beddington, Hilary Newiss, Professor Sir Roy Anderson and Anand Mahindra.

1668 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 15/01)

Declarations of interest and changes to the Register of Interests were made by Lord Stephen Green and Professor David Drewry and were recorded by the Secretary to the Board.

1669 MINUTES OF THE MEETING OF 18 NOVEMBER 2014

The Minutes of the meeting of the Trustees held 18 November 2014 were confirmed as a true record and signed by the Chair.

1670 MATTERS ARISING FROM THE MEETING OF 18 NOVEMBER 2014 (TP 15/02)

A Masterplan document has been produced and will be circulated to the Board by the Secretary.

1671 CHAIRMAN'S REPORT

Development Department: The Chair was pleased to announce the appointment of Fiona McWilliams as Director of Development and commented that Ms McWilliams will be an asset to the NHM given her breadth and depth of expertise in the higher education, cultural and scientific sectors. Ms McWilliams joins the Museum on 1 June 2015.

NHM Development Trust: A Nominations Committee had been appointed to oversee the appointment of a Chair to succeed Mark Richardson and a preferred candidate had been identified. A recommendation has been submitted to the members of the Trust for consideration at the meeting on 24 February and an official announcement will be made thereafter.

The new NHM Development Trust Chair will be invited to attend the Board of Trustees' meeting on 19 May. In this context, Trustees expressed an interest in meeting with the other members of the NHM Development Trust Board to share an understanding of the common interests and fundraising challenges. The new Chair of NHM Development Trust will be asked to consider how this may be facilitated.

The Chair reflected that both appointments have been made at a prime point in the Development Department's development and together both individuals will lead on the fundraising challenges as outlined in the Museum Strategy ("*Strategy to 2020*") and Masterplan.

1672 MUSEUM REPORT (TP 15/03)

Museum Strategy Launch: The internal launch to staff received good feedback and the Director thanked those Trustees who were able to attend this morning event. A different approach had been taken for the external launch focussing on a media release linking the first two major projects (the refurbishment of Hintze Hall and the Grounds Redevelopment project). The plan to move *Dippy* from Hintze Hall had piqued public interest resulting in extensive media coverage (over 700 media references in less than a week). The Director extended his thanks to the Media Relations team who managed the launch and resulting media interest.

Masterplan: The NHM has been working with an external consultant to develop a "Masterplan" for the Museum, which sets out the longer-term plans for the site and a framework within which to consider future projects. The document is not intended to provide a blueprint of what the Museum will look like in 25 years' time, but rather a tool to enable external stakeholders to understand the long-term context for projects that will be delivered in the near future.

Earth and Planetary Sciences Centre: The NHM is required to structure a strategic and business case for the project according to the HM Treasury Green Book guidelines. As a first step the Director of Corporate Services, Neil Greenwood, has prepared an outline strategic case, which was submitted to the DCMS Investment Committee in early February. Trustees will be updated on progress.

Government relations: In the period leading up to General Election the Museum will be advancing on a number of issues for the period beyond the election, including possible submissions for the next spending review. The museum sector will also be lobbying for more attention to the Gift Aid Scheme. This has been prompted by last year's change in legislation whereby visitors to special exhibitions now have to opt-in to donating Gift Aid. The Director will be approaching the Chancellor to suggest ways in which Gift Aid may be reflected in government policy going forward.

Reporting of new Key Performance Indicators (KPIs): The paper presented a list of new Key Performance Indicators (KPIs) selected to measure outputs and outcomes. These represent focussed and concise metrics that best quantify progress against the changed objectives set out in the new Museum Strategy.

In addressing Trustees' concerns about Science KPIs Professor Owens explained that funding is a key measure simply because funding is the single element that will make the difference in realising the Museum's ambitions. However, he reassured Trustees that the quality of Science is always at the forefront of consideration and the full suite of metrics is used to measure the number of publications in key journals and citations.

1673 NHM Q3 FY2014/15 Data Summary (TP 15/04)

The Board of Trustees noted the contents of the report.

1674 NHM Q3 FY2014/15 Activity Summary (TP 15/05)

Trustees emphasised the need for the Activity Report to include an executive summary highlighting the top six or so items; a more explicit dashboard would also be welcomed. Trustees noted that the report in July will be the first that will be aligned to the Museum Strategy and it was suggested that the report could focus on two aspects of engagement – perhaps digital and commercial – with progress monitored in the coming months.

A common trend across the museum sector is a downward shift in the number of domestic visitors with the broad assumption being that this is a reflection of an improving economy and a change in how the populous wishes to spend surplus cash. In seeking to address this the Museum will develop its national programme, as well as looking at ways to engage more broadly with all audiences (including exploiting digital technologies to engage a virtual audience).

1675 FINANCIAL REVIEW FOR THE PERIOD APRIL TO DECEMBER FY2014/15 (TP 15/06)

Mr Neil Greenwood (Director of Finance and Corporate Services) presented a financial review for the period April to December 2014, which predicted an increase in the General Fund's year-end outturn from the previous forecast. It was also noted that the level of self-generated income is above the budget year-to-date reflecting the continuing strong performance for visitor-related income. Although this will help to offset any downward trend in the operating surplus, identifying opportunities to increase income generation and commercial growth continues to be a key element in financial planning.

Main Items:

1676 EMPLOYMENT OFFER REVIEW PROJECT UPDATE (TP 15/07)

The Board welcomed Mr Christopher Hills (Head of Human Resources) to the meeting who presented an update on the Employment Offer Review project, which was to develop a total and sustainable reward offer that was aligned to the objectives of the newly launched Museum Strategy.

SUMMARY
The Trustees fully supported the Employment Offer Review and agreed that the focus should be on perfecting a total package and not just centred on remuneration. The Board looked forward to receiving an update in May.

1677 MEMBERSHIP SCHEME: UPDATE FROM HEAD OF MEMBERSHIP

Ms Sarah Marfleet shared with the Board her first impressions of the Museum's Membership Scheme during her first eight months as Head of Membership. Ms Marfleet's aim was to deliver a *best in class* membership scheme and to drive volume, income and engagement with the NHM. This aspiration had already borne fruit by membership growing to over 10,000 members (+48% on previous year) and predictions are that this rise will continue. Based on this performance Ms Marfleet has every confidence that the Museum's Membership Scheme will become a strong competitor with other peer institutions, though this is not without resolving some immediate challenges and priorities which are being addressed.

1678 MEMBERS' ROOM PROJECT: DCMS LOAN APPLICATION (TP 15/08)

Ms Sarah Fellingham-Adkin (Head of Commercial) joined Ms Marfleet to outline the aspirations for the Members' Room project. The new Membership Strategy includes the provision of an exclusive Members' Room to support the delivery of a scheme that is of high calibre and one that strongly competes with similar membership schemes in peer institutions.

From the options presented in the feasibility study (completed in December 2014) an area was identified that would offer a capacity of 110 (comparing favourably with other members' rooms in high profile museums, cultural institutions and private clubs) and provide the flexibility to host evening events. The Members' Room would provide members with the opportunity to escape to an exclusive and tranquil space and enjoy facilities such as dedicated catering and a relaxed lounge/library area, thus presenting a tangible and further compelling reason to join the scheme.

The Executive Board had approved the business case for the Members' Room and had opted to fund the project via a DCMS loan to deliver the project in a timely manner to support membership growth and increase self-generated income. Based on the figures outlined in the proposal, together with the projection for membership growth, the Executive Board was content that the capital loan could be repaid in five years. The Executive Board felt that the risks of not repaying this loan could be mitigated by meeting the loan from general resources should the predictions for membership growth not be realised.

The Board recognised the challenge of growing the membership base at the forecasted rate and felt the excellent proposal provided a way to cultivate members. However, providing an exclusive space and fulfilling the remit of a family-friendly membership scheme is not without its challenges. Ms Marfleet and Ms Fellingham-Adkin recognise this tension and will be looking at ways to enhance benefits for all members including family members.

SUMMARY
The Board of Trustees approved the submission of the DCMS Loan Application.

1679 COLLECTIONS

(i) Collections Audit Update (TP 14/09)

The Board welcomed Sarah Long (Museum Registrar) to the meeting. The Collections Audit plan was finalised on 19 November 2014, which provides an action plan on how the Museum will audit and document its collections management activities and collections to fulfil a duty of care and to meet legislative obligations. Each year the Registrar will use the Collections Audit Plan to draw up a list of expected activity regarding auditing. The Board noted the current active projects and future programme of work outlined in Dr Long's paper.

Trustees noted progress on the Collections Audit and acknowledged that a more complete update will be presented to the Audit and Risk Committee in May 2015.

(ii) Unaccessioned Collection: (TP15/10A)

The Board noted progress and will be kept informed on discussions and any resultant activity.

(iii) Exhibition Loan Request for Broken Hill and the Forbes Quarry Neanderthal Skulls (TP15/10B):

The Board of Trustees considered the exhibition loans of two Hominin skulls to the Landesmuseum Darmstadt for its *"Expanding Worlds"* exhibition. In presenting the case to Trustees, Dr Long had assessed a number of factors, including the risks associated with the loans. Dr Long reminded the Board that the Museum is prepared to loan specimens as long as certain conditions are met, such as legal, political and certainty that conservation measures are in place

These two skulls – the Broken Hill and the Forbes Quarry Neanderthal - are recognised as two iconic Museum treasures. Both feature as part of the display offer in Treasures in the Cadogan Gallery – displayed on an alternating basis, each replacing the other to ensure one of them is always visible to the

public or available for research. In considering the possible merits of the loan Professor Owens explained that, in the spirit of the Museum's desire to tour real specimens, the Broken Hill skull may feature in the future national public programme as part of a national touring exhibition.

Dr Long believed that the Museum would benefit from working with peer institutions to build a knowledge base to inform a future process for loaning high value and iconic specimens. The Museum should also look at how modern technology could be exploited to "offer" such iconic specimens to a broader audience in the spirit of education and sharing knowledge. The process should also declare that sensitive loans should be presented to the Board for consideration and approval.

SUMMARY

- The Board of Trustees considered the risks associated with the loan of the Broken Hill skull and, together with its potential future use in the national public programme, agreed that it should not be loaned to the Landesmuseum Darmstadt.
- The Board of Trustees agreed to the loan of the Forbes Quarry Skull to the Landesmuseum Darmstadt

1680 HEALTH & SAFETY KEY PERFORMANCE INDICATORS FOR 2015-18 (TP 15/11)

The Board of Trustees endorsed the key performance indicators for Health and Safety for FY 2015/18. It was noted that in establishing this expanded list the Health and Safety Unit had consulted with internal stakeholders, peers from national museums, galleries and heritage organisations to arrive at the list.

SUMMARY

The Board of Trustees endorsed the key performance indicators for FY 2015/16.

1681 AUDIT & ASSURANCE

(i) Report of the meeting held on 11 February 2015:

Dr Derek Langslow, as Chair of the Audit & Risk Committee, reported on the following items from the meeting held on 11 February 2015 highlighting the following items:

Review of Museum Financial Processes by HMRC: During the past quarter HMRC carried out a periodic review of Museum Financial Processes in order to check that Museum policies correctly follow HMRC guidelines and that the Museum policies are being applied appropriately. The outcome was a clean bill of health for the Museum and the operation of our policies.

Major Corporate Risks 2015/16: The ARC endorsed the proposal made by the Director to adopt a different approach to identify Major Corporate risks for 2015/16 by the Senior Management Team and the Executive Board in the context of the new Museum Strategy. These will be presented by the Director at the May meeting of the Audit & Risk Committee.

Money Matters: The report of the key financial controls review of the new finance system, undertaken by the NHS London Audit Consortium in November/December 2014, was considered. The report's recommendations are being implemented by the Finance Department and the Audit & Risk Committee will review a status report at the May meeting to assess whether progress is satisfactory and provides the necessary level of assurance to the Committee and Board.

(ii) Report of the Estates and Buildings Committee meeting, 5 February 2015:

Mr Derek Langslow had attended his first meeting of the Estates and Buildings Advisory Committee on 5 February as a representative of the Museum's Board of Trustees. Mr Langslow provided the Board with a summary of the discussions highlighting the following item:

Collections Storage: The Director had provided an update on on-going discussions relating to the off-site storage of NHM collections and the discussion led the Committee to express the view that the Museum needed to understand the potential commercial value of its assets and to undertake a cost benefit analysis of the potential for future development.

The Chair thanked Mr Langslow for taking on the role as representative and re-emphasised the importance of having the main Board of Trustees represented on this Committee.

1682 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 15/12)

The rolling agenda for future meetings was noted.

1683 EVENTS DIARY (TP 15/13)

The Board of Trustees noted the contents of the report.

1684 DATES OF NEXT MEETINGS

2015:

- 29 April 2015 - Annual Trustees' Dinner
- 19 May 2015 – at Pendley Manor, Herts (PM: Science Session – tour of Tring Museum)
- 30 June 2015
- 22 September 2015 – Annual Trustees' Strategy Day
- 17 November 2015 (PM: Science Session)

2016:

- 23 February 2016
- TBC Annual Trustees' Dinner
- 17 May 2016 (PM: Science Session)
- 5 July 2016 (Evening: Annual Staff Summer Party)
- 20 September 2016 – Annual Trustees' Strategy Day
- 15 November 2016 (PM: Science Session)

1685 ANY OTHER BUSINESS

None.

