

No 249

THE NATURAL HISTORY MUSEUM
AT A MEETING ON
TUESDAY 22 NOVEMBER 2016
AT 09.00 A.M.
AT THE NATURAL HISTORY MUSEUM

Present

TRUSTEES

Lord Green of Hurstpierpoint (in the Chair)
Professor Sir John Beddington CMG FRS
Dame Frances Cairncross DBE FRSE
Professor Christopher Gilligan CBE
Professor Sir John Holman
Hilary Newiss
Robert Noel
Simon Patterson
Professor Robert Stephen John Sparks FRS CBE
Dr Kim L Winser OBE

In Attendance

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| Sir Michael Dixon | Museum Director (Executive Board Chair) |
| Neil Greenwood | Director of Finance and Corporate Services (Executive Board member) |
| Dr Justin Morris | Director of Public Engagement (Executive Board member) |
| Fiona McWilliams | Director of Development and Communications (Executive Board member) |
| Frances Allen (Minutes) | Executive Assistant to the Director and Secretary to the Board |
| Rachael Casstles | Head of Internal Affairs |
| Chris Hills | Head of Human Resources (for item 12) |
| Joanna Motion | More Partnership (for item 13) |

Preliminary

1834 APOLOGIES FOR ABSENCE

Apologies were received from Mr Anand Mahindra, Dame Janet Thornton and Professor Ian Owens.

1835 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 16/55)

Declarations of interest and changes to the Register of Interests were made and recorded by the Secretary to the Board.

1836 MINUTES OF THE MEETING OF 5 JULY 2016 AND 20 SEPTEMBER 2016

The Minutes of the meeting of the Trustees held on 5 July 2016 and the Annual Trustees' Strategy Day held on 20 September 2016 were confirmed as a true record and signed by the Chair.

1837 MATTERS ARISING FROM THE MEETING OF 5 JULY 2016 AND 20 SEPTEMBER 2016 (TP 16/56/57)

Noted.

Corporate items:

1838 CHAIRMAN'S REPORT

The Executive reassured the Chair that the actions agreed at the Annual Strategy Day were being acted upon and taken forward.

1839 DIRECTOR'S REPORT (TP 16/58)

The Director highlighted the following items:

Performance dashboard and strategic plan KPIs: The strategic plan's key performance indicators were being reviewed by the Executive to reflect feedback from the Board. The finalised data, which should also include KPI information from the Board's advisory committees, will be presented to the Board at the February 2017 meeting

Museum attendance: The downward trend in visitor attendance throughout the year continued to be of concern. The NHM had commissioned a visitor research study to determine if this was in response to the terrorist attacks in Paris in November 2015 or whether other factors were at play. The study concluded that visitors had cited a number of reasons for not visiting the Museum (and London), some of which were generic and outside the control of the NHM, and others were specifically levelled at the NHM. Dr Justin Morris (Director of Public Engagement) assured the Board that measures were in place to address these emerging and specific issues related to the NHM.

The DCMS Museums' Review: Sir Michael Dixon (Museum Director) provided an update on the Review. It was agreed that information regarding advocacy meetings with government representatives would be included in future Director's Reports, but in the meantime all haste will be given to producing the contact list requested at the Annual Trustees' Strategy Day.

Collections storage: The favoured option for collections storage had been to work with a partner to build an offsite facility to house the life science collections. However, Brexit had triggered increased uncertainty in the property market and subsequent dialogue with potential partners had indicated a longer than desirable time frame for the realisation of the scheme. This scenario forces the decision to pursue Plan B, which would be to evaluate how space at South Kensington could be used more efficiently and strategically to house the collections. The Board endorsed the proposal that a Property Committee would be established to advance Plan B and to consider how approaches may be made to Government for additional funding to realise these plans. The Committee would be chaired by Mr Robert Noel (Trustee) and would report directly to the Board of Trustees.

1840 FINANCIAL REVIEW FOR THE PERIOD APRIL 2016-SEPTEMBER 2016 (TP 16/59)

The Board noted the report.

1841 HEALTH AND SAFETY REPORT: JULY-SEPTEMBER 2016 (Q2) (TP 16/60)

The Board noted the report and made the following comments:

- KP3: KPI performance was noted to be significantly below target. The Executive was asked to investigate the reasons for this.
- KP6: Management was encouraged to redouble its efforts to ensure that all staff receives regular health & safety training and refresher courses.
- KP8: Trustees and the Executive agreed that all "near misses" reporting would be thoroughly investigated so that lessons learned can be totally absorbed.

The recommendations will be fed back to the Health and Safety Manager for implementation.

Items for Approval:**1842 BUDGET FY2017/18 (TP 16/61)**

The Board of Trustees reviewed the balanced budget for FY2017/18, together with the financial plan and projections through to FY2021/22, produced by Mr Neil Greenwood (Director of Finance and Corporate Services). Given the level of capital expenditure during FY2017/18, Trustees indicated a preference to increase the level of the General Fund Reserve (GFR) to at least £4m. It was generally felt that the increased GFR should be achieved by a further reduction in operating expenditure. In addition, a monthly cash flow forecast to the end of FY2017/18 was requested so the adequacy of reserves could be tracked during the year. Trustees asked for a revised budget, incorporating the Board's recommendations, to be submitted to the February 2017 meeting of the Board.

1843 SPECIAL FUNDS TRUST – INVESTMENT DECISION (TP 16/62)

The Audit & Risk Committee recommended the proposal to appoint CCLA as fund manager of the Special Funds Trust. The Board was reminded that the Special Funds Trust is a trust administered and consolidated by the NHM and comprises a number of small individual funds held by the Museum arising from historic legacies and donations.

The Board endorsed the proposal to appoint CCLA as fund manager and approved the investment of 100% in the COIF Charities Investment Fund.

1844 DIPPY – PRODUCTION OF NEW MODULAR ARMATURE AND PLINTH (TP 16/63)

The *Dippy* plaster cast is one of the most high-profile items on public display in the Museum and is a registered specimen in the collection. To enable the cast to be toured safely around the UK it must have an appropriate armature and plinth. The Project Board had identified a company that has extensive experience of constructing the armature for large museum objects and also has direct experience of working on another copy of the Carnegie *Diplodocus* cast. In recommending this company, the Project Board had assessed all potential options and associated risks.

The Board endorsed the proposal.

1845 UPDATE ON THE POTENTIAL SCANNING OF ARCHAEOPTERYX (TP 16/64)

In February 2016 Trustees approved the loan of the NHM type specimen of *Archaeopteryx* to a Japanese venue as part of the new touring show "*Treasures of the Natural History Museum*". At that time Dr Sarah Long (Museum Registrar) was asked to investigate the possibility of undertaking a high quality CT scan to create a digital surrogate of the specimen so as to mitigate the risk of reduced research access whilst the specimen was on exhibition loan. A project team had explored various options and after extensive investigation concluded that the potential conservation and security risks to the specimen from scanning outweighed the projected benefits. Based on this conclusion, and the fact that no loan or research requests have been received for the period of *Archaeopteryx*'s absence abroad, the Board endorsed the recommendation that the loan of *Archaeopteryx* to Tokyo will proceed without CT scanning.

1846 EMPLOYMENT OFFER (TP 16/65)

Mr Chris Hills (Head of Human Resources) provided an update on the employment offer following the last presentation to the Board in July. The rising cost of employer's pension contributions to the Civil Service Pension scheme, and the fact the NHM has no ability to influence this Treasury action, had thrown into sharp relief the need for the NHM to find an alternative scheme that would both deliver significant savings overtime and support the Museum's objective to recruit and retain relevant talent. In taking this forward, the Museum had solicited the help of an independent pensions advisor to scope options for (a) setting up a NHM defined contribution pension scheme for new entrants and (b) exploring alternative arrangements for specific categories of staff where pension considerations are a significant factor in recruitment. This latter group comprised primarily senior academic staff who regard pension portability as an important factor in career moves. In this respect, Mr Hills was discussing with the Universities Superannuation Scheme the Museum's eligibility to join the scheme.

The Board approved, in principle, the introduction of a defined contribution pension scheme for new staff at the mid-level contribution rate structure, but was undecided about introducing alternative arrangements for a designated cohort of staff, as this was in danger of creating a two-tier economy. The Board asked Mr Hills to consider the comments and provide an update to the Board in February 2017.

Terms and conditions: Noted.

Performance management and reward: The work in progress noted.

1847 PRESENTATION BY MORE PARTNERSHIP ON THE DRAFT CASE FOR SUPPORT (TP 16/66)

The *Case for Support* is a dynamic tool that sits alongside the *Strategy to 2020* and aids the Museum's advocacy and fundraising endeavours. It is a device that engages with different audiences to present a compelling argument for supporting the NHM. Joanna Motion from the More Partnership presented the latest iteration of the *Case for Support*, following cross-Museum consultation and input from the Board at the Annual Trustees' Strategy Day workshop.

Ms Motion thanked the Board for providing feedback on the draft, particularly the comments on the "straplines", and confirmed that the final document and recommendations will be presented to the Board at a later date.

Items for Noting:

1848 HINTZE HALL CLOSURE AND RE-LAUNCH (TP 16/67)

The Board noted the report.

1849 GROUNDS TRANSFORMATION PROGRAMME – PROGRESS UPDATE (TP 16/68)

The Board noted the report.

Committee reports:

1850 REPORT AND MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 3 NOVEMBER 2016 (TP 16/69)

Ms Hilary Newiss (Chair of the Audit & Risk Committee) reported that one of the recommendations of the external quality assurance (EQA) of internal audit report focussed on the clarity of risk management. As a consequence, the Museum's 'risk universe', together with an update on the approach to risk management, will be reviewed at the February ARC meeting.

1851 REPORT AND MINUTES OF THE COMMERCIAL ADVISORY COMMITTEE MEETING HELD ON 26 OCTOBER 2016 (TP 16/70)

Dr Morris provided an update from the November meeting and confirmed that the February agenda will focus on Commercial intellectual property and whether different business models are needed for some commercial businesses.

1852 REPORT AND MINUTES OF THE SCIENCE ADVISORY COMMITTEE MEETING HELD ON 7 SEPTEMBER 2016 (TP 16/71)

Prof Stephen Sparks (Chair of the Science Advisory Committee) provided a report on the September meeting. Prof Sir John Beddington urged the Committee to focus on mitigating the risks of Brexit and to make a strong case to UK government for funding

1853 REPORT AND MINUTES OF THE DEVELOPMENT ADVISORY COMMITTEE MEETING HELD ON 2 NOVEMBER 2016 (TP 16/72)

Dame Frances Cairncross (Chair of the NHM Development Advisory Committee) reported that the main thrust of the meeting focussed on priorities for the Development and Communications Department in supporting the delivery of funding targets and increasing the number of potential donors.

1854 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 16/73)

The rolling agenda for future meetings was noted.

1855 EVENTS DIARY (TP 16/74)

The Board of Trustees noted the contents of the report.

1856 DATES OF NEXT MEETINGS

2017:

- 21 February
- 16 May
- 4 July
- 19 September (Annual Trustees' Strategy Day)
- 21 November

1857 ANY OTHER BUSINESS

There was no other business

A handwritten signature in black ink, appearing to read 'S. Cairncross', is located at the bottom left of the page.