

No 241

THE NATURAL HISTORY MUSEUM

AT A MEETING ON

TUESDAY 18 NOVEMBER 2014

AT 9.00 A.M.

AT THE NATURAL HISTORY MUSEUM

Present

TRUSTEES

Lord Green of Hurstpierpoint (in the Chair)
Prof Sir Roy Anderson FRS FMedSci
Prof Sir John Beddington CMG FRS
Professor David Drewry
Professor Christopher Gilligan
Professor Sir John Holman
Dr Derek Langslow CBE
Dr Kim L Winser OBE

In Attendance (alphabetical order)

Frances Allen (Minutes)	Executive Assistant to the Director and Secretary to the Board
Rachael Casstles	Head of Internal Affairs
Sir Michael Dixon	Museum Director (and Executive Board Chair)
Neil Greenwood	Director of Finance and Corporate Services (Executive Board member)
Chris Hills	Head of HR (for Item 9)
Dr Sarah Long	Museum Registrar (for item 11)
Dr Justin Morris	Director of Public Engagement (Executive Board member)
Professor Ian Owens	Director of Science (Executive Board member)

CLOSED DISCUSSION

1636 TRUSTEE APPOINTMENTS

The Board held a closed session, with only the Director in attendance, to discuss Trustee appointments.

OPEN DISCUSSION

Preliminary

1637 APOLOGIES FOR ABSENCE

No apologies were given.

1638 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 14/53)

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

1639 MINUTES OF THE MEETING OF 1 JULY 2014 & THE ANNUAL STRATEGY DAY ON 30 SEPTEMBER 2014

The Minutes of the meeting of the Trustees held on 1 July 2014 and 30 September (Annual Trustees' Strategy Day) were confirmed as true records and signed by the Chair.

1640 MATTERS ARISING FROM THE MEETING OF 1 JULY 2014 AND THE ANNUAL STRATEGY DAY ON 30 SEPTEMBER 2014 (TP 14/54)

New Vision, Positioning and Strategy: The Natural History Museum Strategy 2015-2020: The comments received from Trustees had been incorporated into the latest iteration of the Museum Strategy.

1641 CHAIRMAN'S REPORT

The Chairman reported on two items:

Employment offer: The most significant issue emerging from the recent Whitley Council Annual General Meeting was the Unions' concerns about the ongoing public sector pay restraint and the Chair highlighted the importance of this issue for the Museum in the months ahead.

International Council of Friends: The Chair outlined his desire to establish a group comprising individuals with a global reach to act as ambassadors for the NHM; the group would meet formally on an annual basis. The formation of this group would not detract from the Museum's efforts in continuing to strengthen its links with the regions and UK countries outside England. The launch of the Museum Strategy in January 2015 will present the opportunity to refocus the way the Museum promotes both its national remit and the extent of its activity in the UK.

1642 MUSEUM REPORT (TP 14/55)

Insolvency of subscription agent SWETS: An account of this occurrence was reviewed by the Audit and Risk Committee, which established that the insolvency could not have been foreseen and were satisfied that appropriate recovery measures were being investigated by the Museum. It was acknowledged that open access could provide the route for the future publication of scholarly papers and the Museum is in collaboration with other interested parties to take this forward.

Sector-wide shared collection storage: DCMS is keen to encourage ALBs to seek operational efficiencies through collaborative action and in this vein the Director has been asked to work with institutions to find strategic solutions.

1643 NHM Q2 FY2014/15 Data Summary (TP 14/56)

Trustees noted the decrease in the number of published scientific papers. Professor Owens reaffirmed that a stepped approach had been taken and by revising the research expectations and staff performance frameworks it was intended that researchers will publish more in leading international journals. A list of the top five journals in each field of study has been devised to act as a guide for research staff.

1644 NHM Q2 FY2014/15 Activity Summary (TP 14/57)

Trustees would like the paper to be introduced by an "executive summary" page highlighting the top six or so items. This will be trialled at a future meeting.

Domestic Visitors: Statistics indicate a downward trend in the number of domestic visitors since 2012 despite an increase in overall attendance. This data will be tracked and further analysed to determine whether this poses a future problem that will need to be addressed.

1645 Financial Review for the period April-August FY2014/15 (TP 14/58)

The Board of Trustees noted the contents of the report

Main Items:

1656 BUDGET FOR FY2015/16 (TP 14/59)

The Director of Finance and Corporate Service, Neil Greenwood, delivered his paper, which presented a balanced budget for FY2015-16 and a financial plan and projections through to FY2018-19. The plan had been based on a number of assumptions outlined in his paper. The projections indicated a healthy operating surplus and General Fund Reserve for FY2015-16, but in FY2016-17 the plan showed a dip in the General Fund Reserve reflecting its commitment to the Museum's capital expenditure programme. As part of the budget planning for FY2016-17 contingency plans are being developed to mitigate financial risk and to restore the General Fund Reserve balance to a desirable level. A fuller picture will be known at the end of the financial year and progress will be mapped against key performance indicators.

Identifying opportunities for commercial growth remains a key element in financial planning with efforts to increase self-generated income continuing to play a central role. This principle is reflected in the aggressive targets set for income generation, which were informed by the in-depth scrutiny of the business plans for each commercial activity aligned to the Museum's Commercial Strategy.

An important component of the Commercial Strategy is to develop a more diversified offer in retail and catering, aligned to the public programme and providing an improved offer to an adult audience. The plan also reflected a significant upside potential for the Museum's Membership programme which, with the new Head of Membership in place, has already seen an increase in the recruitment of new Members captured at the point of sale. It is anticipated that with the introduction of a new and enhanced Membership scheme, members will increase by a significant rate. An update on the Membership Scheme will be given by the Head of Membership, Sarah Marfleet, at the February meeting.

SUMMARY	
The Board of Trustees approved the balanced budget and minimum General Fund Reserve policy for FY2015-16 and further noted the provisional allocations for the period 2016-19, together with the risks and contingency planning.	
ACTION	
An update on the Membership Scheme will be given by the Head of Membership, Sarah Marfleet, at the February meeting.	Morris

1657 PENSION ARRANGEMENTS (TP 14/60)

The Board welcomed the Head of Human Resources, Christopher Hills, to the meeting. Mr Hills explained that the rise in pension contributions by both the employer and employee, together with the five year pay restraint for staff, has prompted the Museum to look radically at the totality of the employment offer. Mr Hills explained that a key component of the HR Strategy is to undertake such a review in order to underpin a coherent and cogent business case submission to HM Treasury as the basis for the next (and possibly future) year's pay award negotiations and any substantive changes to employment and reward arrangements. An external reward and remuneration specialist has been appointed to support this review, which will also address the effect of the pay freeze and other compelling issues such as pension provision. Trustees noted that the pension proposition is regarded as an important component of the employment offer and one that plays an important role in the recruitment and retention of staff.

SUMMARY	
The Board of Trustees noted that the employment review is underway and that this is the focal point for addressing a number of critical issues including pension provision. The Board of Trustees also noted that because of the strategic significance of the review and the potential for conflict of interest for the Executive, it was proposed that the Remuneration Committee Board provides oversight on behalf of the Board.	
ACTION	
A progress report will be presented to Trustees in February 2015 and a full report in May 2015.	Hills

1658 GROUNDS AND CENTRAL HALL REDEVELOPMENT (TP 14/61)

The Director of Public Engagement, Dr Justin Morris and Director of Science, Professor Ian Owens, presented the plans for the Grounds and Central Hall (hereafter known as Hintze Hall) redevelopment. The plans are intended to be transformational and represent the beginning of a long-term ambition to fundamentally re-present the collection of the Museum and improve the visitor experience. Furthermore, they fulfilled the Museum Strategy's core aim of repositioning the NHM so that it is not regarded only as the dinosaur museum for children, but also as a public institution whose work is of direct relevance to the choices that society faces now and in the future.

The transformation will start in the grounds where the planting and exhibits will introduce visitors to the concept of deep time and how our world has changed to create our environment today. The western grounds will challenge visitors to consider how life might be sustained in the future, in particular human life, and what it means to live in a city environment.

Professor Owens explained that Hintze Hall will develop these themes further by showcasing the extraordinary breadth and diversity of the collection, its links to the Museum's own scientific research and the three big narratives identified in the Museum Strategy. The focus is very much on authenticity, which will be exemplified by exhibiting real specimens from the collection. In this context *Dippy* may be replaced in Hintze Hall with a real specimen that links more closely to our work on biodiversity and sustainability, as well as origins and evolution. Dr Morris confirmed that the use of authentic specimens is, and will continue to be, the basis of all other displays in the Museum. The proposal to tour *Dippy* was a welcome suggestion, as it would mean that those who are unable to travel to London would get the opportunity to see this iconic model.

Dr Morris described how the redevelopment of Hintze Hall presented the opportunity to think more creatively about interpretation allowing the Museum to exploit a richer range of specimens and enhance the way the public engage with the collection. New technologies (digital and otherwise) and innovative lighting will be used to enrich the light-touch interpretation to create an extraordinary vision.

The proposals for Hintze Hall should be viewed in the context of a long-term programme of gallery planning. It is hoped that projects such as the Northern Link Corridor will both ease congestion and reduce dwell time in Hintze Hall by enticing visitors to move to other captivating exhibitions currently at the planning stage. Digital technology (such as the new Museum app) will also play an important role in visitor navigation.

SUMMARY	
The Board of Trustees was excited by the proposal and endorsed the plan. It was acknowledged that a communications plan needed to be developed to engage staff as well as external stakeholders. The suggestion to use the launch of the Museum Strategy in January 2015 to promote the scheme will be considered.	
ACTION	
A communications plan needs to be developed.	Morris/Casstles

1659 COLLECTIONS

- (i) Unaccessioned Collection: (TP14/62)

Museum Registrar, Dr Sarah Long, outlined the procedure for dealing with the unaccessioned collection and Trustees were assured that the appropriate process is being undertaken.

SUMMARY	
The Board of Trustees noted this ongoing issue and supported the proposed actions.	
ACTION	
A progress report will be presented to Trustees in February 2015.	Long

(ii) Exhibition Loan Request for Broken Hill and the Forbes Quarry Neanderthal Skulls (TP14/63):

The Museum is currently working on an exhibition loan request from the Landesmuseum Darmstadt for the Broken Hill Skull and Forbes Quarry Neanderthal Skull for an exhibition entitled “*Expanding Worlds*” taking place in October-November 2015. The two skulls represent two of the most important Museum specimens, which were of huge value both in financial and research terms. It was also noted that display of these two items rotates in the Treasures Gallery at the Museum.

SUMMARY	
The Board of Trustees noted the request and Dr Long’s plan to present updated information on the proposed loan at the meeting in February 2015.	
ACTION	
A progress report will be presented to Trustees in February 2015 and based this evaluation the Board will make the decision as to whether the loan should proceed or not.	Long

1660 HEALTH & SAFETY REPORT FOR SECOND QUARTER FY2014/15 (TP 14/64)

Noted.

1661 AUDIT & ASSURANCE

(i) Report of the meeting held on 6 November 2014:

Dr Derek Langslow, as Chair of the Audit & Risk Committee, reported on the following items from the meeting held on 6 November 2014 highlighting the following items:

SUPERSOFA (Statement of Financial Activities): The Director of Finance & Corporate Services will arrange the production of a table (in the first instance covering two years FY2013/14 and FY2014/15) in the foreword to the Accounts.

Collections Auditing: Although it was disappointing that the recommendation made in early 2014 was the same as that made three years ago, the ARC recognised the challenges in auditing our massive collection and complemented the staff on the new Action Plan now tackling the collection audit issues. The ARC would have a further full update in May 2015.

1662 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 14/65)

The rolling agenda for future meetings was noted.

1663 EVENTS DIARY (TP 14/66)

The Board of Trustees noted the contents of the report.

1664 DATES OF NEXT MEETINGS

2015:

- 24 February 2015
- 29 April 2015 - Annual Trustees’ Dinner
- 19 May 2015 (PM: Science Session)
- 30 June 2015
- 22 September 2015 – Annual Trustees’ Strategy Day
- 17 November 2015 (PM: Science Session)



1665 ANY OTHER BUSINESS

Annual Trustees’ Dinner – 29 April: Invitations will be extended to a wider group and the Board of Trustees was asked to suggest names to the Secretary of the Board.