

**THE NATURAL HISTORY MUSEUM**

**AT A MEETING ON**

**TUESDAY 24 FEBRUARY, 2004**

**AT 10.00 A.M.**

**AT THE NATURAL HISTORY MUSEUM**

**Present**

**TRUSTEES**

Professor Sir Keith O'Nions FRS (in the Chair)  
Professor Michael Hassell CBE FRS  
Professor Christopher Leaver CBE FRS  
Professor Jacquie McGlade  
Lord Palumbo (*items 1-8 only*)  
Professor Linda Partridge CBE FRS FRSE  
Mr Oliver Stocken  
Sir Richard Sykes FRS (*item 1 only*)

Sir Neil Chalmers  
Ms Anna Cuss (minutes)

Ms Sharon Ament, Mr Neil Greenwood, Mr David Hill and Dr Richard Lane were in attendance. Mr Richard Toy and Mr Graham Pellow were in attendance for paper TP 04/02 only.

**Closed session**

**759 REPORT OF THE AUDIT COMMITTEE**

*[This section to be made available in February 2014]*

**Open session**

**760 CHAIRMAN'S REPORT: APPOINTMENT OF TRUSTEES AND NEW DIRECTOR**

i) Appointment of Trustees

The Chairman reported that Sir William Castell LVO, Chief Executive of Amersham plc and designated Vice Chairman of GE and Chief Executive of GE Healthcare, and Professor Georgina Mace OBE FRS, Director of Science at the Zoological Society of London, had both now been confirmed by the Prime Minister as Trustees of the Museum for four years from 6 February 2004 to 5 February 2008. Their appointment was to replace Jana Bennett and Professor Anne McLaren whose terms of office had recently come to an end.

In addition, the Chairman reported that the Prime Minister had approved second four year terms of office as Trustees for Mr Oliver Stocken and Professor Michael Hassell from 6 February 2004 to 5 February 2008, and that Professor Linda Partridge, who was co-opted to the Board, had agreed to serve a second four year term from 1 April 2004 to 31 March 2008.

ii) New Director

It was confirmed that Dr Michael Dixon, currently Director General of the Zoological Society of London, had been appointed as the next Director of the Museum. He would join the Museum on 10 May and become substantive Director and Accounting Officer on 10 July. Sir Neil's final day at the Museum would be 23 July, his contract reaching a formal close on 31 August.

iii) Annual Dinner

Trustees were reminded that the Annual Dinner would be taking place in the Darwin Centre on Thursday 4 March.

**761 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Sir William Castell, Professor Dianne Edwards, Dame Judith Mayhew Jonas, and Professor Georgina Mace.

**762 MINUTES OF THE MEETING OF 27 NOVEMBER 2003**

Following a discussion during the closed session, it was agreed that the following wording should be added at the beginning of minute 741 of the closed session held on 27 November 2003:

'Sir Richard Sykes, as Chairman of the Audit Committee, reported that Audit Committee had met earlier that day. The meeting had been attended by himself as Chairman, by Sir Keith O'Nions and by Mr Michael Sheasby, independent member of the Committee. The Committee had interviewed the Director of Human Resources, David Hill, and the Director of Visitor & Operational Services, Deirdre Candlin, about concerns that they had expressed over the management of contracts in Estates. Sir Richard said that the Audit Committee recommended, in the light of this, that forensic auditors, led by a legal firm, be appointed to examine some of the Museum's concerns and the issues surrounding them.

Trustees agreed to this course of action.'

Subject to this amendment, the minutes of the meeting of the Trustees held on 27 November 2003 were confirmed and signed.

**763 MATTERS ARISING FROM THE MEETING OF 27 NOVEMBER 2003**

- Human Remains (TM 27 November: 747)  
The Minister's consultation exercise on the report produced by the Human Remains Working Group was now due to be carried out in March or April, rather than January as reported previously. Trustees confirmed that when the time came, the Museum should respond along the lines given in the Director's paper to them of November 2003. Professor Partridge enquired whether there had been any contact with the Royal Society over this issue. The Director confirmed that the Royal Society were planning a response to the consultation exercise and were broadly sympathetic to the Museum's view on maintaining research collections.
- Theft of synthetic diamond (TM 27 November: 750 i)  
The Director reported that de Beers had now been reimbursed in full by the Government Indemnity Scheme for the synthetic diamond which had been stolen in August 2003 whilst on loan to the Museum. A full review of security arrangements at the Museum was being carried out by an independent consultant, as recommended by DCMS, and a report would be made to Trustees in May.
- Economic Impact Study (TM 27 November: 750 v)  
The Museum's report on its economic, scientific and cultural contribution to the nation, *Treasurehouse and Powerhouse*, produced in collaboration with the London School of Economics and Imperial College had now been published and circulated widely in January. The report, which showed that the Museum generated £4 for every £1 of grant-in-aid awarded, had been well received and attracted a great deal of positive publicity from a range of sources. Some of this publicity had focused on the Museum's stated willingness to return to admission charging should Government funding not remain at a sufficient level to adequately maintain the Museum's obligation to its collections and visitors, which was the Trustees' policy on this issue.

Mr Stocken asked whether the current proposal to close the so-called 'charities' loophole', claiming of Gift Aid on donations would have any impact on the Museum. Mr Greenwood said that, since the Museum did not currently reclaim gift aid because it was not sufficiently beneficial to the Museum, there would be no impact, but the Museum remained supportive of the lobby against the closure of the loophole in recognition of its detrimental affect on some other museums and galleries.

**764 DIRECTOR'S REPORT**

The Director reported on the following subjects:

- i) **Sponsorship award.** The Director reported that the Museum was close to concluding a sponsorship award from Steinmetz, to the value of £2 million for the forthcoming Diamonds exhibition. Trustees recorded their congratulations and thanks to all those staff involved in the bid.
- ii) **Brand Review.** Trustees were informed that, since 2003, the Museum had been engaged in a review of its brand identity. There would not be a dramatic change, but rather a reappraisal of how the Museum could present what it had to offer in the best way and to the widest audience. A design consultancy, Hat-trick, had been appointed to work with staff across the Museum to develop new materials including a stronger presence for the NHM brand on all its materials, a clearer family resemblance between programmes and services, a refreshed logo, fonts, colours and images, web and intranet designs, printed materials and merchandise. The first new materials were due to appear in public from October 2004, to coincide with the new shop at the main entrance.
- iii) **Visitor numbers.** Trustees were delighted to hear that the Museum had enjoyed a highly successful half term week, with over 163,000 visitors across the nine-day period, and several of those days exceeding 20,000 per day. The special exhibition *T rex: The Killer Question* had performed particularly well, with around 30,000 visitors during half term including over 4,000 on 18 February – the best day since the exhibition opened in August 2003. Retail sales were 76 % higher than the same half term period last year and catering sales were

similarly increased by 37%. Trustees recorded their thanks to all the staff for making these successes possible and for maintaining quality of service at such a busy time.

iv) **Special Adviser and Secretary to the Board.** The Director reported that this post, vacated by Mary Fridlington at the end of 2003, had been filled on a one-year secondment basis by Milly Rosier, who had been appointed from the Association of London Government following a recent interview process. Ms Rosier would join the Museum on 22 March.

#### **765 THE CORPORATE PLAN AND BUDGET: 2004-05 TO 2007-08 (TP 04/01)**

Mr Greenwood introduced paper TP 04/01 which had been considered by Finance Committee on 18 February. He informed Trustees that it had been agreed, when setting the budget in 2003, to view it, and the associated Corporate Plan, as fixed for two years of the period in order to give certainty and enable planning, and to remove the need for a major budget exercise in 2004. This took into account the fact that the major income source, grant in aid, was already known for 2003-06. Therefore, the budget was largely in line with that set for 2003-04, but with the accommodation of a number of items on the expenditure side, made possible by the higher level of brought forward surplus from 2002-03 into 2003-04 and beneficial changes in the VAT regime. The most significant of these items were additional capital allocation for Darwin Centre Phase Two, and funds to support security improvements, the web contents management system and the visitor offer strategy retail project.

Professor McGlade enquired whether sufficient funds were being allocated for long-term running of the web management system, and for science capital, since both appeared conservative. Ms Ament confirmed that the running costs allocated in the budget were associated with the package itself rather than its operation, and that there were currently six other staff dedicated to web development. Dr Lane added that there was a ten-year plan in place for development and replacement of equipment and every effort was made to provide the best possible tools for research within the resources available, which were small for an organisation of this size.

Mr Stocken was concerned about the substantial increase in the level of employer contributions to the PCSPS from 1 April 2005, which arose from the outcome of the latest actuarial valuation, and reflected, principally, the adverse movement in equity markets since the previous valuation. Although the final figures were not yet confirmed, it was clear that the increase to the paybill could be significant. Trustees requested an update on the implications for the Museum of both this issue and a forthcoming EU ruling on redundancy payment. Mr Hill confirmed that both these issues were being considered within the current pay and grading review and proposals would be brought to Trustees in due course.

In conclusion, Trustees approved the balanced budget, which would form a preface to the existing Corporate Plan for 2003-07.

#### **766 DARWIN CENTRE PHASE TWO (TP 04/02)**

The Chairman welcomed Mr Pellow, Darwin Centre Project Director, and Mr Toy to the meeting and reminded Trustees that this would be Mr Pellow's last meeting, as he was retiring from the Museum at the end of March. Mr Toy would take over as Acting Project Director for the near future.

Trustees recorded their thanks to Mr Pellow for his contribution to the Museum over the years, including his project work on the Analytical Lab, the Molecular Biology Labs and Darwin Centre Phase One, and wished him well in his retirement.

Prior to his update on Phase Two, Mr Pellow reported that the final settlement on Phase One had recently been made with the contractors, Shepherd Construction, representing a full and satisfactory closure to the first Phase of the project.

##### **i) Progress report from Project Director**

Mr Pellow went on to report that a formal planning application had been submitted to the Royal Borough of Kensington and Chelsea in the previous week and it was hoped that a positive response would be received. The content of the second phase had recently been signed off with the agreement of the science departments involved, and a test-fit carried out within Entomology to assess the suitability of the curatorial space arrangement had proved entirely satisfactory. In addition, recent restructuring of the storage facility at Wandsworth had created a further 2000 m<sup>2</sup> of spare space, confirming that the proposed decant of Entomology was deliverable. The project was on schedule to reach the detailed design Stage E by July 2004.

##### **ii) Contingency (TP 03/24a)**

Mr Stocken, as Chairman of the Finance Committee, introduced paper TP 03/24a which gave a more detailed outline of the contingency plan for Phase Two in the event of a funding shortfall against the current project programme, and in particular the recommended phased option. After a detailed discussion, Trustees agreed that they required a fuller presentation on the current and forecast position on available funds, to enable them to make an informed decision on the options open to them. They asked that an extraordinary meeting of Trustees be convened by the end of March at which they would consider the position and agree a course of action.

**767 SCIENCE VISION (TP 04/03)**

Dr Lane introduced paper TP 04/03, which outlined his vision statement for the future role and direction of the Museum's science, incorporating how it should be communicated both internally and externally and, in particular, how it could be communicated through the public offer.

Trustees welcomed this view from Dr Lane, and were very supportive of the proposals that were being made, particularly those relating to the development of the Museum as an 'institute for diversity', modelling the diversity of the natural world through its evolving collections, and the introduction of a limited number of 'Big Questions' around which research would be centred, rather than the current thematic arrangement. A number of specific points were made:

- Professor Leaver raised the issue of the education of the next generation of taxonomists and diversity researchers. Dr Lane said that much had been achieved in the past few years in developing a more qualification and experience driven approach for curatorial staff, and that post-graduate systematists were trained through the Museum's masters degree course in Advanced Methods in Taxonomy and Biodiversity, run in collaboration with Imperial College. Further work could be done though to expand upon the Museum's current relationship with post-graduate and post-doctoral students and this should be referred to in the document.
- Professors Hassell and McGlade said it was important that the inclusivity of the thematic approach to research for scientific staff be continued as far as possible in the 'Big Question' approach and that a division was not created between those undertaking basic research and those exploring how such research could be embedded into policy and practice. The value of this latter type of work was recognised as a means to keep the Museum's science contemporary by identifying the next 'Big Question'.
- Professor Partridge agreed that visiting groups were a useful means of external peer review, but recommended tighter control of this method of evaluation to make it as effective as possible.

In conclusion, Trustees endorsed the main conclusions in the paper and gave their support to its development into a more formal statement by the Science Group.

**768 VISITOR OFFER UPDATE (TP 04/04)**

Trustees had received, at their July 2003 meeting, an extensive set of proposals for the development of the Museum's Visitor Offer. After consideration of the proposals, they had requested more detailed plans on the most urgent projects within the offer relating to access for disabled visitors, matters of circulation and signage within the Museum, exhibitions, and the relocation of shops and catering facilities. Ms Ament informed Trustees that the proposals relating to catering and retail had been presented to the Finance Committee on 6 November 2003, and approved on behalf of the Board. Paper TP 04/04, therefore, represented more detailed plans for the remaining projects.

After consideration, Trustees approved the plans for special exhibitions, wayfinding, access and development work on the first part of the permanent gallery plan for 2004-08, including an architectural exhibition on the balconies of the central hall, and the development of a strategy for more effective use of the gardens and welcomed these as a positive step forward in improving the Museum's visitor offer.

**769 APPOINTMENT OF KEEPER AND HEAD OF DEPARTMENT OF BOTANY (TP 04/05)**

Dr Lane reported that Professor Bateman, the current Keeper and Head of the Department of Botany had requested that he step down as Keeper from 15 August 2004 in order to pursue his research career. This had been endorsed by the Chairman of the Board of Trustees, the Director and Dr Lane. Professor Bateman would remain on the Museum's staff as a researcher in evolutionary biology and seek an Individual Merit Promotion at the next round of the competition in 2005.

Trustees approved the recruitment of a successor to Professor Bateman and agreed to invite Professor Edwards, who was not present, to serve on the appointment panel.

**770 HONORARY RESEARCH FELLOW (TP 04/06)**

Dr Lane invited Trustees to consider the award of a Museum Honorary Research Fellowship to Professor John ('Jack') Horner for a period of three years, in recognition of his outstanding contributions to dinosaur palaeontology and communication of science to the public. Trustees agreed that Professor Horner was an excellent candidate and endorsed the award.

**771 FINANCE COMMITTEE REPORT**

Mr Stocken, as Chair of the Finance Committee, informed Trustees that the main business of the meeting held on 18 February had already been discussed in relation to Darwin Centre Phase Two and the Corporate Plan and Budget. He added however, that the Committee had also looked at ways of reinvigorating the Museum's touring exhibitions operation through a Public Private Partnership (PPP). More information on how this might be taken forward had been requested and would be considered again by the Finance Committee in due course.

**772 REPORT ON MUSEUM ACTIVITIES (TP 04/07)**

The Director highlighted to Trustees the publication of *Synopsis and Classification of the Formicidae* by Barry Bolton, an important volume setting the standard for future research in this area, and bringing well-deserved publicity to the science of systematic classification. He also recommended *Life Through a Lens*, a fascinating collection of images and historical facts from the Museum between 1880 and 1950 brought together by the Museum's Archive Team, Susan Snell and Polly Tucker, and recently the focus of a popular special exhibition.

**773 PERFORMANCE INFORMATION (TP 04/08)**

Trustees noted the performance information report.

**774 ANY OTHER BUSINESS**

There was none.

**775 DATE OF NEXT MEETING**

The next ordinary board meeting would take place on Thursday 13 May 2004 at 10.00 at The Natural History Museum.