

**THE NATURAL HISTORY MUSEUM**

**AT A MEETING ON**

**TUESDAY 27 FEBRUARY 2007**

**AT 9.30 A.M.**

**AT THE NATURAL HISTORY MUSEUM**

**Present**

**TRUSTEES**

Oliver Stocken (in the Chair)  
Daniel Alexander QC  
Sir William Castell LVO  
Louise Charlton  
Professor Dianne Edwards CBE FRS  
Professor Alex Halliday FRS  
Professor Michael Hassell CBE FRS  
Mr Ian J Henderson CBE  
Professor Georgina Mace OBE FRS  
Sir David Omand GCB  
Professor Linda Partridge CBE FRS FRSE

**In Attendance**

Dr Michael Dixon	Director
Sharon Ament	Director of Public Engagement
Paul Brereton	Director of Human Resources
Anna Cuss (Minutes)	PA to the Director and Secretary to the Board
Neil Greenwood	Director of Finance and Administration
Professor Richard Lane	Director of Science
David Sanders	Director of Estates
David Thorpe	Head of Audit and Assurance
Teresa Wild	Associate Director of Public Engagement and Director, Walter Rothschild Zoological Museum at Tring
Frances Windsor	Policy Advisor to the Director
Paul Bowers ( <i>item 1035 only</i> )	Darwin Centre Two Public Offer Project Director
Danny Herbert	DCMS Appointments Unit
John Jackson ( <i>item 1022 only</i> )	Science Policy Coordinator
Dr Tim Littlewood ( <i>item 1034 only</i> )	Merit Researcher, Parasitic Worms Group
Adrian Parkhouse ( <i>item 1022 only</i> )	Farrer & Co
Dr Alfried Vogler ( <i>item 1034 only</i> )	Research Entomologist, Systematics and Evolution

**1016 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Professor Jacquie McGlade.

**1017 MINUTES OF THE MEETING OF 16 NOVEMBER 2006**

The minutes of the meeting of the Trustees held on 16 November 2006 were confirmed as a true record.

**1018 MATTERS ARISING FROM THE MEETING OF 16 NOVEMBER 2006 (TP 07/01)**

Trustees noted the progress which had been made on items raised at the last meeting and received an update from the Director on steps being taken to prevent future incidents in the Jerwood Gallery by protestors against sponsorship of the *Shell Wildlife Photographer of the Year* exhibition.

**1019 CHAIRMAN'S REPORT**

The Chairman welcomed Mr Herbert to the meeting. Mr Herbert was the Museum's first point of contact at the DCMS Appointments Unit and was attending the Museum as an observer to assist him in his understanding of how various Boards across the sector conducted business.

**(i) Review of Governance Principles (TP 07/02)**

The Director introduced paper TP 07/02, which set out a number of amendments to the Museum's Governance Principles document reflecting, amongst other changes, the decision taken at the November 2006 Board meeting to dissolve the Finance Committee and incorporate the majority of its responsibilities into the terms of reference of the Audit Committee, and the adoption of the Collection Management Policies.

It was noted that the Audit Committee had, at their most recent meeting, considered the Head of Internal Audit's Review of Corporate Governance, the recommendations from which were attached at Appendix 2, and the Board agreed that it would be helpful to have sight of the full review at their next meeting in May 2007 in order to give further context to the recommendations and the proposed actions to be taken. The opinion of the Audit Committee, that the Museum's corporate governance provision was, overall, of a high standard, was also noted.

In addition, the Board noted and approved the re-appointments to Committees of the Board, as outlined in Appendix 1.

**(ii) Re-appointment to the Board**

Trustees noted that Professor Edwards, whose first term of office had come to a close on 6 February 2007, had been re-appointed for a second 4-year term of office from 7 February 2007 to 6 February 2011. Confirmation of the appointment had recently been announced by the Prime Minister's office.

**(iii) Trustees' Annual Dinner**

The Chairman reported that the Annual Dinner, which also marked the retirement in April 2006 of Dame Judith Mayhew Jonas, was taking place on Thursday 8 March, with attendance from the majority of Trustees and senior staff, as well as a small number of Trustees who had served on the Board at the same time as Dame Judith. The dinner, for approximately 60 guests, would be held in the Earth Galleries.

**(iv) Receipt of donation**

The Chairman asked Ms Ament to clarify the status of a recently received donation. It was confirmed that the company in question was wholly owned by the owner and had substantial assets with which to make the donation.

**1020 DIRECTOR'S REPORT (TP 07/03)**

The Director highlighted two items from the report:

- (i) **Chief Scientific Advisor (CSA).** The Director reported that the first draft of his review and recommendations on the appointment of a Chief Scientific Advisor to DCMS had now been submitted to the Director of Strategy at DCMS. The review covered key issues such as job description for the role; key accountabilities; an assessment of the level of the appointment in the Department structure; a suggestion as to the line management responsibilities of the role; an opinion of the minimum time commitment required to undertake the role and a full person specification. The draft would be submitted to the Permanent Secretary following initial comment from the Director of Strategy. The Director confirmed that the appointment of a CSA at DCMS was likely to be beneficial to the Museum in the long term and that the Board were also likely to have the opportunity to suggest potential candidates for the role at some stage in the process.
- (ii) **Biodiversity Heritage Library (BHL).** Trustees were pleased to note that, further to Mr Higley's presentation to the Board in November 2006, a significant amount of initial funding had now been awarded to this collaborative project, which would enable scanning activities to begin shortly. Mr Higley was also commended on his election as Chair of the BHL project for the next two years.

The Director informed Trustees that the commencement of scanning activity and subsequent availability of works online would have implications for the Museum's master plan in that it would, potentially, provide the opportunity for some of the library's stock of books to be stored offsite.

**1021 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**1022 HUMAN REMAINS**

Mr John Jackson, Science Policy Coordinator and Secretary to the Human Remains Advisory Panel, and Mr Adrian Parkhouse of Museum solicitors, Farrer & Co, joined the meeting at this point.

Trustees received an oral update from the Director on the current position with regard to the decision made by the Trustee Board on 16 November 2006, to return the remains of 17 Tasmanian Aboriginal people to the Australian Government. This included summaries of the original claim made by the Tasmanian Aboriginal Centre (TAC); the meeting of the Human Remains Advisory Panel on 18 October 2006 at which the claim was considered; the subsequent meeting of the Trustee Board on 16 November 2006 at which the Panel's recommendations were reviewed and a decision to repatriate confirmed; and matters which had arisen subsequently as a result of that decision.

Professor Lane then gave an update on the type of tests which had already been carried out on the Tasmanian Aboriginal remains and outlined what would be gained, and by whom, by continuing with the period of data collection to extract information from the remains.

Finally, Mr Parkhouse gave a summary of the process followed since formal legal proceedings had been initiated against the Museum on 11 February 2007 to contest the Museum's decision to return the remains after a period of data collection. He also gave an indication of the costs incurred thus far and those likely to be incurred should the matter continue to be dealt with by legal process.

Members of the Board were provided with four documents to assist them in their discussion:

- (i) Letter from Mark Stephens of Finers Stephens Innocent to Adrian Parkhouse of Farrer & Co dated 26 February 2007
- (ii) Justification for Samples and Sample Sized Used in Invasive Tests
- (iii) Data Collection from Tasmanian Human Remains
- (iv) Data to be collected from each set of Tasmanian remains

Following careful consideration of the information presented and expert advice received, Trustees agreed that the Museum should postpone legal action and attempt to reach agreement with TAC by mediation. It was agreed that should mediation not result in agreement, Trustees would discuss further the option of continuing legal action. Trustees also agreed to the postponement of the meeting of the Human Remains Advisory Panel planned for March.

### **1023 FINANCIAL REVIEW FOR THE PERIOD APRIL 2006-JANUARY 2007 (TP 07/04)**

Mr Greenwood introduced paper TP 07/04, which outlined actual expenditure for the period April 2006 to January 2007 and compared the revised annual forecast with the previous report for the position to the end of September 2006, and with the original budget approved by Trustees in February 2006. The financial position was, overall, considered to be positive at present, largely due to interest earned on existing cash balances, salary savings in some areas and in particular, strong performances above budget for a number of the Museum's commercial income activities.

Mr Greenwood provided the following information in response to specific questions from the Board:

- Darwin Centre Phase Two - additional information on the financial position with regard to Darwin Centre Phase Two would be added to the financial summary in future reports.
- Restless Planet Project – the consultancy team had visited the project site in Dubai and secured a commitment from the client for payment of a significant proportion of the outstanding amount due in the current financial year. No new invoices were to be raised until payments for work already completed were received.
- CSR07 – it was recognised that the, as yet unknown, outcome of CSR07 was the area of greatest financial exposure for the Museum. Whilst currently in a good financial position, a flat cash or reduced settlement would create significant operational difficulty for the Museum. Mr Greenwood confirmed that contingency plans, for the second phase of the Darwin Centre in particular, were in place should the outcome of CSR07 be unfavourable.

Trustees noted the financial report and requested a more detailed analysis of the potentially negative impact of CSR07 for a future meeting.

### **1024 PERFORMANCE SCORECARD – 3RD QUARTER 2006/07 (TP 07/05)**

Trustees noted the performance activity in the 3<sup>rd</sup> quarter and discussed, in particular the outturn for science grants focusing on both number of grants won and their value. Professor Lane emphasised that the apparent variations were due to a number of factors including a conscious decision to apply for fewer, but higher value collaborative grants, and the ability of researchers in post at any one time to attract grants. Professor Lane also informed the Board that he was currently liaising with the BBSRC in an attempt to obtain a waiver on the recent removal of the Museum's Academic Analogue status which barred it from applying for grants.

Trustees requested a full report for their next meeting on the current state of grant funding for science research and the availability of that funding to the Museum.

### **1025 DARWIN CENTRE PHASE TWO**

- (i) Management Report (TP 07/06)

Mr Henderson introduced paper TP 07/06 which comprised the most recent report to the Darwin Centre Phase Two Sub Committee on all elements of the programme, focusing mainly on issues of finance and main construction. Trustees were fully appraised of the recent change in project management following an independent review in late December 2006/January 2007 and steps being taken to appoint a long term replacement. Mr Henderson emphasised the importance of strong relationships with all parties in ensuring the success of the project.

Construction on site was currently ahead of schedule, with the overall budget marginally above forecast at present. The Museum was, however, proactively seeking to reduce its stated contribution to the project through fundraising.

Trustees agreed that a site visit after their May meeting, in order to view progress, should be arranged.

(ii) Development update – including sponsor attribution (TP 07/07)

Ms Ament presented an update on progress with fundraising, including the Sir David Attenborough Studio, as well as future plans for funding public programmes, namely the daily public and learning activities and additional areas such as education programmes, IT and the Cocoon.

A framework for donor acknowledgement was also presented and Trustees noted the principle of tiered recognition that was being proposed. They also noted that, although the Museum's relationship with the BBC was non-financial, due to the scale of endorsement, a system for appropriate recognition was to be arranged.

## 1026 AUDIT COMMITTEE

As Chairman of the Audit Committee, Sir William Castell gave an oral report on some of the more significant items considered at the meeting held on 26 February 2007:

- Terms of Reference – the Committee agreed, subject to a minor change, the amendments made to their terms of reference after taking over responsibility for the review of the Museum's annual accounts from the former Finance Committee. The revised terms of reference would be confirmed to the Board in May.
- Financial position – there was a discussion on year end flexibility, particularly with regard to Darwin Centre Phase Two, and on future plans for the publishing unit.
- Trustee benefits – proposals made in a paper put forward by the Director were endorsed and would be communicated to the Board further to incorporation of any additional information gauged from other examples of work done on this topic by other museums and galleries. These were to be forwarded by the NAO Director.
- Internal Audit Reviews – the Committee had been pleased to note that there had been a general reduction in the risks associated with the systems and processes reviewed by Audit & Assurance over the last few months and welcomed evidence of the unit's greater impact across the Museum.
- Head of Audit's Report on Corporate Governance – the thoroughness of the report was commended. The full report would be considered by the Board in May.
- Risk appetite – an annual review, each May, of Museum risks would be put in place, together with a very brief review of progress made in the management of key risks or changes in their status at the end of each quarterly meeting.
- Performance Indicators – current corporate performance indicators were considered and the Committee emphasised the need for objective criteria and indicators that measured quality as well as value.
- Restless Planet – the position was as recorded in the financial report earlier in the agenda. A full report would be made to Audit Committee in May.
- Darwin Centre Phase Two – the Committee were satisfied that the procedure for change control was rigorous, but recommended that the Trustees' Sub Committee should meet more frequently – at least bi-monthly – in order to maintain control over the project.
- Main Shop – the shop was functioning well with increased turnover. Although controls were improving, there was still a need to reduce shrinkage levels further.
- NAO Audit Strategy 2006/07 – the programme was agreed and it was confirmed that the Strategy would henceforth be presented to the Committee in November.
- Business Continuity Plan – an excellent presentation on the project, which was due for completion in July 2007, had been given. The Committee would receive an update on outcomes, including an integrated to both crisis management and business continuity, in November 2007. The Board noted that this work was of particular importance given that failure to improve business continuity systems was the primary risk identified for 2006/07.

## 1027 HUMAN RESOURCES: ACCIDENT AND INCIDENT REPORT: MAY - JANUARY 2007 (TP 07/08)

Mr Brereton confirmed that the improved reporting process and steps being taken towards OHSAS 18001 Health and Safety Accreditation, were both invaluable in achieving higher health and safety standards throughout the Museum. Mr Brereton commended the Museum's managers for embracing this new way of managing Health and Safety as well as Mr Barlow, Head of Health for his dedication to improving the Museum's awareness of Health and Safety issues.

Trustees noted the report, in particular that there were no reportable accidents (RIDDOR) in the period October 2006 to January 2007.

## **1028 SCIENCE GROUP**

(i) Palaeontology Implementation Review (TP 07/09)

Professor Edwards, leader of the Visiting Group to Palaeontology in September 2005, gave an update on progress with steps taken to implement the recommendations made to Trustees in February 2006, including an initial assessment of progress against those recommendations. Professor Edwards confirmed that, overall, the majority of specific actions had been addressed, with positive outcome. Plans were also in place to address those actions which were still outstanding, particularly more general recommendations relating to culture and morale, with a view to completion within the coming 12 months.

Trustees noted the progress that had been made and requested a further report in a year's time.

(ii) Zoology Report and Management Response (TP 07/10)

Professor Hassell, Chair of the Visiting Group to Zoology, which took place in December 2006, presented a report of the group's findings and recommendations, together with a management response on behalf of the Museum. He highlighted the generally positive impression of the Zoology Department gained by the group, and in particular, the high regard for the Keeper and the excellent leadership which he provided.

Of the issues to be addressed, Professor Hassell highlighted specifically the general concern in the department about career progression and the need to change attitudes to core research on systematics and taxonomy.

In response, Professor Lane welcomed the identification of areas of excellence in the Zoology Department and confirmed that the issues raised would be addressed as set out in the paper. He noted in particular the positive work which was being carried out in consultation with the human resources department to develop curator competencies and therefore provide a more structure approach to career progression.

Trustees then accepted the report and agreed the courses of action proposed to address the Visiting Group's recommendations. Thanks were recorded to Mr Jackson for his invaluable support in administering and managing the work of the group.

(iii) Botany Membership (TP 07/11)

In the absence of the Chair of the Botany Visiting Group, Professor McGlade, Professor Lane tabled a paper giving the proposed membership of the group, which would begin its work in September 2007. Trustees noted the recommendations being made and looked forward to receiving confirmation of the group's final composition in due course.

## **1029 PUBLIC ENGAGEMENT GROUP**

(i) Public Programme 2007

Due to the extended discussion on human remains, there was no oral report.

(ii) Commercial update (TP 07/12)

Due to the extended discussion on human remains, the report was noted without comment.

## **1030 REPORT OF MUSEUM ACTIVITIES (TP 07/13)**

The report was noted.

## **1031 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 07/13)**

The rolling agenda for future meetings was noted.

## **1032 EVENTS DIARY (TP 07/14)**

Trustees noted the diary of forthcoming events.

## **1033 ANY OTHER BUSINESS**

There was no other business.

## **1034 MOLECULAR TAXONOMY AND GENOMICS (TP 07/16)**

Dr Alfried Vogler (Research Entomologist, Systematics and Evolution) and Dr Tim Littlewood (Merit Researcher, Parasitic Worms Group) gave a presentation on the way Museum researchers were implementing new techniques afforded by greater use of DNA sequencing in taxonomy, including 'DNA bar-coding'. Dr Vogler focused on the introduction of a DNA-based taxonomic system in species identification and phylogenetics in insects whilst Dr Littlewood presented approaches to establishing diversity on the genome level and the search for genes of greatest use in taxonomy, using the example of parasitic worms.

**1035 DARWIN CENTRE PHASE TWO PUBLIC OFFER (TP 07/17)**

Mr Bowers, Darwin Centre Two Public Offer Project Director, joined the meeting to present the most recent design concept for the Atrium and Explore spaces. At this stage, the concept was an outline proposal which was due to be translated into a more detailed scheme (RIBA Stage D) due for completion in May 2007. The aim of the concept design was to provide the layout, distribution of content, look and feel, visual language, approach to visitors and preliminary impact assessment on the base build. As anticipated, public offer aspirations at this stage exceeded budget, but as the design progressed to the more detailed scheme, costs would be brought in line with available funds.

Mr Bowers explained how the design would embody three key themes, by providing live science, satisfying curiosity and providing intimacy, as a contrast to the large scale architectural space represented by the Waterhouse building.

Trustees noted the progress to date and looked forward to receiving further updates.

**1036 DATE OF NEXT MEETINGS**

Thursday 24 May 2007 at 0930 at the Natural History Museum.