

THE NATURAL HISTORY MUSEUM

AT A MEETING ON

TUESDAY 14 JULY 2009

AT 9.30 A.M.

AT THE NATURAL HISTORY MUSEUM

Present

TRUSTEES

Oliver Stocken (in the Chair)
Daniel Alexander QC
Louise Charlton
Professor Dianne Edwards CBE FRS
Ian Henderson CBE
Dr Derek Langslow CBE
Professor Jacqueline McGlade
Sir David Omand GCB

In Attendance

Dr Michael Dixon	Director
Sharon Ament	Director of Public Engagement
Joe Baker	Special Adviser, Directorate
Paul Brereton	Director of Human Resources
Rachael Casstles	Special Adviser, Directorate
Anna Cuss (Minutes)	Executive Assistant to the Director and Secretary to the Board
Neil Greenwood	Director of Finance and Administration
	Programme Director, Darwin Centre Phase Two
Professor Richard Lane	Director of Science
David Sanders	Director of Estates
David Thorpe	Head of Audit and Assurance
Teresa Wild	Director of Policy and Planning and NHM Tring
Catherine Coates	Business Innovation Director, Engineering and Physical Sciences Research Council (EPSRC)
Martin Lawrence	Deputy Head of Learning (<i>minute 1231 only</i>)
Emma Pegram	Head of Gallery Learning (<i>minute 1231 only</i>)

Mr Stocken welcomed Ms Coates to the meeting as an observer. Ms Coates, under the direction of Professor Edwards, was participating in a scheme for mentoring women into public appointments being run by the UK Resource Centre for women in science, engineering and technology (SET).

1214 APOLOGIES FOR ABSENCE

Apologies for absence were received from Professor Sir Roy Anderson, Professor David Drewry, Professor Alex Halliday and Professor Georgina Mace.

1215 MINUTES OF THE MEETING OF 21 MAY 2009

The minutes of the meeting of the Trustees held on 24 February 2009 were confirmed as a true record, subject to a minor amendment at minute 1197 where the title should read revenue sharing with 'inventors', rather than 'investors'.

1216 MATTERS ARISING FROM THE MEETING OF 21 MAY 2009 (TP 09/44)

Appointment to the Board – Trustees noted that the role specification for the vacancy created by Professor McGlade's retirement from the Board at the end of the year was currently awaiting approval from the Minister. Once this was received, the advertisement would go live. Trustees would be invited to recommend any individuals whom the Museum might invite to apply.

A draft role specification for the vacancy due to be created when Professor Edwards retired from the board in February 2011, would be submitted to the November Board meeting.

The Chairman informed Trustees that, as she would not be able to attend the November meeting, this was Professor McGlade's final meeting before retiring from the Board. Thanks were recorded to Professor McGlade for the enormous and invaluable contribution which she had made to the Museum over her eight years as a member of the Board.

Memorial for victims of the 2004 Boxing Day Tsunami – it had now been agreed that the memorial would be located behind the Queensgate Lodge, opposite Darwin Centre Phase Two. The size and scale of the memorial had been determined and Mr Baker was now sitting on the programme board, along with representatives from the DCMS and the victims' families, to progress the design.

The NHM's Intellectual Territory – this item had not been discussed at the Strategy Day, due to the Director's unavoidable absence. However, it would now be submitted to the November Board meeting for further review.

Exhibition Road and 2012 – Ms Ament had, in fact, been able to obtain images of the project plans, which would be shown later in the meeting.

All other items of significance were addressed under the current agenda.

1217 CHAIRMAN'S REPORT

There were no items to report.

1218 DIRECTOR'S REPORT (TP 09/45)

The Director highlighted the following items from his report:

Reappointment of the Chairman of the Board of Trustees – Trustees were aware that, in accordance with the Museum's Corporate Governance framework, it was their duty to elect a Chairman from one of their number and that it was within their authority to extend that appointment for a second term. Sir David Omand had therefore been invited to consult Trustees on an individual basis to solicit their view on re-appointing Mr Stocken for a second term of office. Board members were unanimous in their recommendation that Mr Stocken be reappointed on the basis of his excellent leadership and tremendous dedication to the Museum and its work. Trustees and senior management expressed their ongoing appreciation of Mr Stocken's strong chairmanship and advocacy on behalf of the Museum, particularly in securing external funding for key projects such as Darwin Centre Phase Two. Trustees therefore confirmed Mr Stocken's reappointment for a second four-year term of office from 1 January 2010 to 31 December 2013.

The Director would inform the Department for Culture, Media and Sport (DCMS) of the Board's decision.

Directors' Group Planning conference and Trustees' Strategy Day – Directors had met in mid-June to progress proposed objectives and plans for the future, and discussed outcomes with Trustees at the Strategy Day on 18 June. Although the Director had not been able to attend, the session had provided valuable input and direction for drafting the new Corporate Plan for 2011/16. Trustees agreed that the note of the meeting, attached at Appendix 1, was a true record and further agreed that the four strategic objectives proposed for 2011/16 provided greater clarity and an appropriate way forward.

In terms of the forthcoming International Year of Biodiversity (IYB), which had been discussed in some detail at the Strategy Day, it was reported that plans were progressing well, with considerable interest being shown by the network of collaborators being managed by the Museum. Professor McGlade reported on progress with the global study, *The Economics of Ecosystems & Biodiversity (TEEB)*, an integral part of the 'Potsdam Initiative' resulting from the G8 summit of environment ministers held in Potsdam in 2007. There was great potential for the Museum to participate in the programme, in particular a November launch event being organised by DEFRA for programme 'ambassadors'. Ms Ament would discuss with Professor McGlade how the Museum's IYB Secretariat could take this forward.

It was noted that there might be some benefit to holding the Strategy Day at a different point in the year to provide better spacing between Trustee meetings in the first half of the year. The Director would inform Trustees when senior management had had sufficient time to consider whether this was a necessary amendment.

Museum Pay Remit for 2008/09 – the Museum, having received approval from HM Treasury and the DCMS, had entered into formal negotiations with the PCS and Prospect unions. Once the unions had balloted their members on acceptance or rejection of the offer, it was hoped that a deal could be finalised before the end of August.

Plans to accommodate reduced government grant-in-aid – plans continued to be progressed in line with the agreed principles and would be presented to the Board in November along with the budget for 2010/11. An announcement of capital grant in aid was still awaited. Once received, the likely impacts would be incorporated into the budget paper for November.

External appointments – the Director had become a member of the DCMS Advisory Board and DCMS Tourism Advisory Council, and Chair of the DCMS Science Advisory Committee. All of the appointments were for a fixed period and in the latter case would involve administrative support from DCMS. In addition, Ms Ament had been appointed Vice-President of ECSITE, the European network for science centres and museums.

Global impact – the Director had recently attended a meeting on Markets for Science Collections, hosted by the Academy of Natural Sciences in Philadelphia. Attended by Directors from 8 of the world's leading natural history museums and botanical gardens, the meeting focused on developing more effective collaboration through a small number of sustainable initiatives. Maintaining contact with this influential group in the future would facilitate development and delivery of the Museum's international agenda.

Operational efficiency and shared service opportunities – the importance of operational efficiency, delivering value for money and the derivation of cost savings through shared service arrangements continued to grow in significance. Mr Greenwood was currently participating in a DCMS benchmarking project established to explore costs of back office services across its sponsored bodies, and outcomes from this would feed into the Museum's own expenditure review. The Museum continued to investigate shared service opportunities with local peer institutions and the Director would explore this further with other national museums in his capacity as Chairman of the National Museum Directors' Conference (NMDC). Updates on progress would be provided to Trustees on a 6-monthly basis.

1219 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 09/46)

There were no declarations of interest.

1220 FINANCIAL REVIEW FOR APRIL TO MAY 2009 (TP 09/47)

Trustees noted that the forecast outturn for the General Fund was in line with the original budget with positive results from admissions and retail income. Capital expenditure was slightly behind forecast for the year, but the relevant projects were now well underway and, notwithstanding announcements from DCMS on capital grant in aid, the full allocation should be utilised in the current year.

The Director confirmed that whilst visitors might show a decrease against previous year, by comparison with the national museum sector, onsite spend was very positive.

1221 ANNUAL REPORT AND ACCOUNTS 2008/09 (TP 09/48)

Mr Greenwood presented the main Natural History Museum Annual Report and Accounts for 2008/09 for approval. The consolidated accounts had already been approved and signed off.

Sir David Omand, as Chairman of the Audit & Risk Committee, confirmed that all the Museum's accounts had been scrutinised previously by a sub group of the Committee and subsequently by the Committee itself on 2 July. The Committee had also, on that occasion, reviewed the National Audit Office's audit completion report and the management letter for the trading company form Kingston Smith. There were no substantive matters raised at the meeting which required resolution, however the auditors had commented on the significant improvement to the audit process in the current year.

Trustees raised two points during discussion:

- Mr Greenwood should discuss the potential for future fee negotiation with the auditors, as part of the overall expenditure review
- The draft budget presentation for 2010/11 to Trustees in November should incorporate details of past, current and future expenditure on the Museum estate to ensure that provision for maintenance was adequate and proportionate, particularly in view of the forthcoming announcement with regard to capital grant in aid. Trustees noted that expenditure plans for all capital projects now incorporated provision for any building maintenance integral to that project.

Trustees then approved the Annual Report and Accounts, subject to final completion of the audit and to ministerial approval.

1222 PERFORMANCE SCORECARD

(i) Outturn 2009/10 against DCMS indicators and corporate KPIs for April and May 2009/10 (TP 09/49)

Ms Wild reported that performance data for the complete first quarter had not been possible since the full set of data for June was not available when the papers were issued. However, the full suite of data for quarters 1 and 2 would be provided to the November meeting of the Board.

Trustees noted that visitors numbers were down by 2.8% against previous year, but that under 16s visiting the Museum seemed to be recovering, following a poor performance in 2008/09. Ms Wild confirmed that methods of data collection for this indicator were being reviewed for robustness, as mentioned at the previous meeting.

Ms Ament said that the fundraising position remained tough, but a large number of applications for funds were currently awaiting response. Despite the economic situation, it was important to maintain fundraising efforts and to ensure that there were appropriate numbers of staff in place to do so.

(ii) NHM Carbon Footprint (TP 09/50)

Trustees had requested, at their last meeting, further detail on the Museum's activities to reduce carbon emissions and to limit utility consumption and expenditure.

Mr Sanders presented the paper, stressing to Trustees that it should be viewed in the context of recent challenges, such as the construction and opening of Darwin Centre Phase 2 (a highly-serviced building by comparison with others on the estate) and the significant increase in utility prices since 2004/05. Mr Sanders reported that through a range of initiatives, such as the Combined Heat and Power (CHP) project, the Carbon Reduction Masterplan and other smaller scale projects including internal campaigns and accreditation to a range of recognised environmental management schemes, the Museum had managed to reduce its carbon footprint by 20.6%, in excess of the Government target of 12.5 % (compared to 2004/05 levels). It had also increased the amount of energy produced from renewable sources to 30%, again exceeding the Government target of 15%.

Trustees commended the work that had been done and which had been recognised by a number of awards from the Chartered Institute of Building Services Engineers (CIBSE), the Combined Head and Power Association and the Mayor of London's Green500 scheme. However, they were confident that more could be achieved, particularly to improve the energy performance operational rating recorded on the Display Energy Certificate (DEC) which the Museum was legally required to hold. Although the Museum's rating compared favourably with other Victorian building and even some more modern ones, Trustees felt that more incremental changes could be introduced, primarily to change behaviours, without incurring significant capital investment.

Professor McGlade agreed to liaise with Mr Sanders to explore future projects which could assist the Museum in leading the sector in carbon reduction, bearing in mind the balance which would need to be maintained between improved efficiency and the expenditure required to achieve it.

1223 HEALTH AND SAFETY REPORT (TP 09/51)

Mr Brereton presented the report. He confirmed that the newly installed accident reporting database linked to the new HR database was now in place and was able to give more accurate data on staff and visitor accidents/incidents.

However, the changes to reporting had created a number of anomalies which Mr Brereton explained would even out over time as the reporting pattern stabilised. In particular, the workforce accidents increase in June reflected scalpel use in the conservation area and under-reporting by outsourced housekeeping staff. Mr Brereton also reported that there had been one RIDDOR reportable accident in the first quarter relating to a contracted cleaner slipping on a floor that she had recently mopped. There was also a slight increase to visitor accidents associated with children playing within *Butterfly Jungle*, though this was not directly related to the play equipment itself. The Health and Safety Unit were investigating all of these incidents to limit any further occurrences.

Trustees briefly discussed the Museum's plans to address the impact of swine flu. They received assurance that the Museum had robust crisis management plans in place, largely based on experience gained during the previous outbreak of avian flu and on large scale incidents such as the heavy snowfall in early February. The Museum would also be guided by DCMS advice to the sector should a situation arise. For the current epidemic, the Museum was keeping staff informed with relevant hygiene and sickness advice and observing Foreign and Commonwealth Office advice on travel relating to both academic visitors from overseas and Museum staff planning overseas research visits.

Trustees noted the report.

1224 DARWIN CENTRE PHASE TWO

(i) Management Report (TP 09/52)

Mr Greenwood presented an update report on all elements of the Darwin Centre Phase Two programme. Progress for the public offer construction remained satisfactory, however there was continued slippage in the external landscaping arising from the nesting birds, so that full completion was not anticipated until December. Trustees received assurance that the landscaping would be as advanced as possible and would not impact critically on the opening.

(ii) Launch events programme

Ms Ament gave an update on plans for the VIP launch on 14 September to which Trustees would be invited to attend as hosts. The building was being trialled in advance of the launch and there would be a programme of rehearsal beforehand. The launch was a valuable opportunity to showcase the Museum and there would be further events after the initial launch to ensure that as wide an audience was reached as possible, including appropriate officials from Government departments.

Trustees agreed that it would be helpful to receive a brief on the history of the development of Darwin Centre, particularly for members who had joined the Board more recently, as well as information on new gallery and science projects that were under development.

1225 AUDIT AND RISK COMMITTEE REPORT

(i) **Report of the meeting held on 13 November 2008**

Sir David Omand, as Chairman of the Committee, gave an oral report on highlights from the meeting. The main item had been a review of the Annual Report and Accounts 2008/09, resulting in the recommendation to Trustees earlier in the meeting. However, the Committee also discussed:

Major corporate risks – the Committee had received two presentations on areas of key corporate risk, the first on security and the second on web aspirations. For the latter, it was clear that there were issues of authority and control to resolve across the Museum's online offer, further details of which were given in paper TP 09/56. The risk was being broken into a number of component parts with mitigating actions which would be addressed and reported back to the Committee over the next year. Trustees recognised that the web was an area of fast growth, but that the Museum would need to ensure that there was an appropriate balance of brand consistency as well as flexibility to allow scientific creativity to develop.

Long term inherent risks – the Committee had recommended further work on these to clarify ownership, ongoing status and mitigating actions.

Trustees noted the report.

1226 SCIENCE GROUP

(i) **First Quarter Update 2009/10 (TP 09/53)**

Professor Lane focussed on a number of points from the report:

House of Lords Science & Technology Committee 2008 report on Taxonomy – the Museum would be taking a significant role in convening key parties as indicated in the 'Government Response' to the report. Meetings with BBSRC and NERC had already been arranged for July.

e-Biosphere – the Museum had been a co-sponsor and local organiser of this conference on biodiversity informatics held at the QEII Centre in Westminster. Attendance was high with representatives from a broad range of countries. Information gained from the conference and developmental workshop held afterwards would be used to orientate the planned Centre for Biodiversity Informatics at the Museum. Trustees congratulated the organising team, particular Professor Norm MacLeod, on achieving a successful event.

Scientific Collections in the UK – working with the Research Councils Unit in the Department of Business, Innovation and Skills (formerly in the Department for Innovation, Universities and Skills or DIUS), the Museum was exploring the possibility of convening a meeting of organisations responsible for funding and holding significant scientific collections within the UK. The aim would be to explore common challenges and opportunities. This initiative developed from Professor Lane's chairing the Organisation for Economic Cooperation and Development (OECD) Global Science Forum work on scientific collections.

Performance data – a full report would be provided to Trustees in November.

The report was noted.

(ii) **Human Remains Policy (TP 09/54)**

Trustees had last considered and agreed overall policy for human remains in the Museum in 2001. Since that time, there had been additions to policy in response to the development of law and guidance from Government and the Board had agreed to establish a Human Remains Advisory Panel. The Panel had, notably provided advice to Trustees on the request for return of human remains to Tasmania in November 2005 and on the return of a further human remain from South Australia. The draft policy was the result of ongoing review and discussion and incorporated elements such as the development of a more comprehensive assessment of scientific context and value to inform future decision-making.

Over the past four years, the Museum had continued to work with the Australian government, with other claimants from North America and most recently with Te Papa, the National Museum of New Zealand. It had also established a Human Remains Unit, based in the Palaeontology Department, with responsibility for provenancing and collaboration with claimants on information and aspects of requests for return.

Following discussion, Trustees agreed that the basic principles of the policy were satisfactory, but felt that there were two areas where improvement could be made – i) by providing a clearer demarcation between policy, procedure and responsibilities of each party ii) by undertaking a period of review with those who with an interest in the policy (leading researchers, specific claimant communities) to ensure appropriate tone and ease of understanding. Trustees asked Professor Lane to address these areas and to provide a further draft to the Board in November for formal approval.

In the meantime, Trustees noted that the Museum was currently dealing with a request for return from the Torres Straits Islanders, but were assured by Professor Lane that this could be resolved using existing guidelines.

(iii) **Science Strategy (TP 09/55)**

Professor Lane presented a Strategy for the NHM's Science, which was based on the Science Vision presented to Trustees in 2004 updated in 2007. The strategy, which Trustees had discussed in draft at their Strategy Day in June, comprised a statement of the Museum's uniqueness and provided direction for Museum science over the next 5-10 years. The Strategy focused on three key parts – research, scientific infrastructure and knowledge exchange. For many of these components, supporting policy and workplans were already in place, but for others these would need to be developed or refined.

Trustees agreed the Science Strategy and recommended that they review it, along with other Museum strategies, on an annual basis, to ensure that progress was being made and that it still met internal and external needs.

1227 PUBLIC ENGAGEMENT GROUP

(i) **First Quarter Update 2009/10 (TP 09/56)**

Ms Ament highlighted a number of items from her report:

Exhibition Road – Ms Ament gave a brief presentation on the current status of the development project. Although significant progress had been made, there were still some key issues to resolve, including whether step-free access from the underground would be made available, suitability of the new cobbled road surface and connectivity with the tunnel linking the underground to the South Kensington institutions, including the Museum. Progress with these issues would be reported back later in the year.

Public Programme – the arts/science collaboration *After Darwin: Contemporary Expressions* had opened to the public on 26 June. This exhibition would provide a pilot for charging for the arts/science offer and performance outcomes would be reported to Trustees in November.

Exhibitions – the 2010 programme was under development, with *The Deep*, an exhibition on deep sea biodiversity, planned for May. The updated 5- year plan for special exhibitions was due to be presented to Trustees in November.

Projects – the North Hall Café had been completed with dramatically increased sales. The Chairman commented that the noise from the coffee machines seemed excessive. Ms Ament would investigate whether there were any steps that could be taken to reduce noise levels. She added that once the other restaurant and café refurbishments were complete, the Museum's overall and improved eating offer would be advertised more actively.

Web/Interactive media – Trustees received a more in-depth analysis than usual, covering some of the plans which would tie in to the Darwin Centre Phase Two digital/interactive offer.

Business & Commercial – Trustees noted that the *Kids Only Guide* continued to be successful and was the best seller during May. It was interesting to note that sales of the *Kids Only Guide* had not affected sales of the general Souvenir Guide, which also remained high.

Trustees noted the report.

1228 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 09/57)

The rolling agenda for future meetings was noted.

1229 EVENTS DIARY (TP 09/58)

The events diary was noted.

1230 ANY OTHER BUSINESS

Trading Company AGM – The AGM of the Trading Company took place.

1231 SCIENCE DISCUSSION: STRATEGY FOR SCIENCE (TP 09/59)

Trustees received a presentation from Emma Pegra, Head of Gallery Learning and Martin Lawrence, Deputy Head of Learning, outlining work carried out with a research company to measure the impact of engagement and learning at the Museum through the Darwin Centre. The work was part of the benefits realization plan for the Darwin Centre and could be applied across the Museum. It was recognized that impacts such as this were notoriously difficult to measure, but the approach was robust and specifically tailored to the Museum. Mr Lawrence's presentation focused in particular on how the Museum was engaging young people with its science, as requested by Trustees at their Strategy Day in June.

Trustees noted the presentation.

1232 DATE OF NEXT MEETING

Tuesday 24 November 2009 at 0930 at The Natural History Museum.