

**THE NATURAL HISTORY MUSEUM**

**AT A MEETING ON**

**TUESDAY 15 JULY 2008**

**AT 9.30 A.M.**

**AT THE NATURAL HISTORY MUSEUM**

**Present**

**TRUSTEES**

Oliver Stocken (in the Chair)  
Professor Sir Roy Anderson FRS FModSci  
Louise Charlton  
Professor Dianne Edwards CBE FRS  
Mr Ian Henderson  
Dr Derek Langslow CBE  
Professor Jacqueline McGlade  
Sir David Omand GCB

**In Attendance**

Dr Michael Dixon  
Sharon Ament  
Joe Baker  
Neil Greenwood

Anna Cuss (Minutes)  
Professor Richard Lane  
David Sanders  
David Thorpe  
Teresa Wild

Ailsa Barry  
Dr Martin J R Hall  
Martin Lawrence

Director  
Director of Public Engagement  
External Relations Manager  
Director of Finance and Administration and Programme Director, Darwin Centre Phase Two  
PA to the Director and Secretary to the Board  
Director of Science  
Director of Estates  
Head of Audit and Assurance  
Director of Policy and Planning and NHM at Tring

Head of Interactive Media (*minute 1144 (ii) only*)  
Research Entomologist, Department of Entomology (*minute 1153 only*)  
Deputy Head of Learning (*minute 1144 (ii) only*)

**1137 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Daniel Alexander QC, Professor David Drewry, Professor Alex Halliday and Professor Georgina Mace.

**1138 MINUTES OF THE MEETING OF 20 MAY 2008**

The minutes of the meeting of the Trustees held 20 May 2008 were confirmed as a true record.

**1139 MATTERS ARISING FROM THE MEETING OF 20 MAY 2008 (TP 08/42)**

Trustees noted the matters arising. All items of significance were addressed under the current agenda.

**1140 CHAIRMAN'S REPORT**

The Chairman expressed the view, on behalf of the Board, that the annual Strategy Day held on 25 June had been very successful. The event would be repeated to a similar format, based on review of a limited number of major strategic issues in greater depth, in 2009. A date would be set in due course.

**1141 DIRECTOR'S REPORT (TP 08/43)**

The Director highlighted five items from his report:

Funding Agreement for 2008/09 – 2010/11 – the negotiation of the Agreement had been successfully concluded. Of particular note were the inclusion of a section on the contribution that the Museum made to the work of other Government departments, and the overall lighter touch employed, exemplified by the document's brevity and the removal of targets, though reporting on performance indicators remained in place. Trustees noted that the Museum was working proactively to raise its profile with a range of Government departments through its advocacy programme.

OGC Gateway Review for Darwin Centre Phase 2 – the combined Gateway 0 (Strategic Review) and Gateway 4 (Readiness for service) which the Museum had chosen to undertake had concluded that there was a high degree of confidence in successful delivery of the project. The OGC would undertake a repeat of Gateway 4 in May 2009 in advance of the official opening. The key focus of this review was likely to be realisation of benefits and therefore an Internal Audit review would be carried out in advance to ensure that baseline data was in place against which to measure the realisation and to assess preparedness for delivery of science and public offer fit-out for an on-time opening. Mr Henderson recommended that the Museum consider providing a case study for the Heritage Lottery Fund (HLF), detailing how the project was managed from its inception to conclusion and illustrating how the funding from the HLF had contributed to its success.

Appointment of a DCMS Chief Scientific Adviser (CSA) – Following the Director's recommendations to the Permanent Secretary on the appointment of a CSA, DCMS had decided to appoint their existing Chief Analyst to the role of CSA with support provided by a Scientific Advisory Panel. It was hoped that the Museum would be invited to nominate a member to sit on the Panel.

Peer Review for Museums and Galleries – Following the review of the Arts undertaken by Sir Brian McMaster in 2007, DCMS were taking forward a number of its recommendations, in particular a peer review for museums and galleries. The Museum had been asked to participate in a pilot scheme for the review. DCMS were aware of the Museum's existing peer review for science, namely the Visiting Group system, though this was more rigorous than that envisaged for the wider review.

Conservative Party Arts Policy – The Director had attended a keynote speech by Shadow Culture Secretary, Jeremy Hunt, which focused on Conservative Party thinking on their policies towards the arts. The main proposals, based on wide-ranging consultation in the sector, were to retain free admission and to increase available funding for the arts by encouraging philanthropic giving, reducing expenditure on arts administration and by giving the National Lottery greater independence.

#### 1142                    **DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 08/44)**

The Board reviewed the most up to date version of the register of interests. There were no declarations in relation to the business of the meeting.

#### 1143    **FINANCE**

##### (i)    Financial Review for the period April-May 2008 (TP 08/45)

The forecast year end outturn for the General Fund was above the original budget, but any additional funds would be held to underpin cashflow and the Museum's own contribution to Darwin Centre Phase Two. The Museum's Capital Programme Group was reviewing capital expenditure to ensure that the Museum's plans were realised by the end of the financial year. A more detailed report would be provided to the Board in November. Mr Sanders confirmed that the Museum was attempting to improve its environmental impact, which included efforts to reduce consumption of energy.

##### (ii)    Annual Report and Accounts for 2007/08 (TP08/46)

A detailed review of the consolidated draft accounts was completed by the Chairman of the Board, the Chairman of the Audit and Risk Committee and the co-opted member, Mark Richardson, on 1 July before being presented formally to the Audit and Risk Committee on 3 July. The Committee had also considered the NAO's audit completion report (ISA 260) and the management letter for the Trading Company from Kingston Smith. On the recommendation of the Audit and Risk Committee, therefore, the Board approved the accounts, subject to final completion of the audit and ministerial approval.

#### 1144    **DARWIN CENTRE PHASE TWO (TP 08/47)**

##### (i)    Management Report (TP 08/48)

Mr Greenwood presented a report updating the Board on all elements of the Darwin Centre Phase Two programme and outlining the next, and most critical, stage, of negotiating compensation events for the main construction contract. Handover of the completed building to the Museum was expected within the coming weeks.

##### (ii)    Public Offer and programmes

The Board welcomed Ailsa Barry, Head of Interactive Media and Martin Lawrence, Deputy Head of Learning to the meeting and received a presentation on the latest vision for the public offer and programmes within Darwin Centre Phase Two balanced against efforts to provide a high quality experience within a fixed budget. Fit out was due to begin in September 2008 and be completed by April 2009.

The Board were keen to ensure that the offer would satisfy public expectation and that the Museum would be able to manage the level of interest given the limitations on numbers able to pass through the building at one time. It was recognised that flexibility was being built into the programme to deal

with fluctuations in visitor numbers and that the programme being developed for Phase Two was part of a wider overhaul of programming across the Museum, to include Darwin Centre Phase One, which had been unavailable to the public during the construction of Phase Two.

Trustees made suggestions on ways of approaching interactive learning and how to address the presentation of complex scientific theory, particularly the move away from comparative morphology towards homology and genetic sequencing. Ms Barry and Mr Lawrence would follow up these suggestions with individual members of the Board.

#### **1145 AUDIT AND RISK COMMITTEE REPORT**

##### **(i) Report of the meeting held on 3 July 2008**

Sir David Omand, as Chairman of the Committee, gave an oral report on the main items covered by the meeting held on 3 July:

NAO Audit Completion Report – The Report was presented to the Committee by a PKF partner. A full management response from the Museum would be considered at the November meeting of the Committee, including improvements to the timetable for accounts preparation.

Risk Management Processes – improvement had been made to the consistency of risk registers across the Museum by implementation of a standard reporting system. The Committee would increase their attention to this area by reviewing areas of major risk regularly and by visiting areas of Museum business to review risk assessment processes in action.

Protection of personal data – from 2009, the annual Statement of Internal Control would be required to give assurance on management of information risk. Trustees requested a further update on progress with this requirement in November, including the impact of much tighter regulations on paperwork and email correspondence produced by the Museum.

Related Party Transaction Disclosure – a potential case for disclosure in the Financial Statements had been discussed, but it had been agreed that this was not necessary. However, the need for greater clarity in such circumstances was highlighted and would be borne in mind for the future.

Significant control issues – a decision on the scope of the Internal Audit review of Darwin Centre Phase Two had been deferred pending the outcome of the OGC Gateway Review. Given the positive outcome of the Review and the immediate priority of delivering the programme, it was agreed that a review was not required unless a significant issue arose in the coming months.

Minutes of the meeting would be circulated separately to Trustees at the earliest opportunity.

##### **(ii) Annual Report of the Committee to the Board 2007/08 (TP 08/48)**

The report was noted. A copy had also been submitted to the Department for Culture, Media and Sport (DCMS).

#### **1146 PERFORMANCE SCORECARD – OUTTURN FOR 2007/08 AGAINST DCMS INDICATORS AND CORPORATE KPIS TO END OF FIRST QUARTER 2008/09 (TP 08/49)**

Trustees reviewed the report of actual performance to the end of June against DCMS indicators specified in the previous Funding Agreement. Trustees noted that under the new Funding Agreement for 2008/11, the Museum would continue to report on the existing indicators, with the addition of some new ones, even though targets were no longer required. A full report with more detailed commentary would be provided to the Board in November. It was noted that total visitor numbers to the end of June were broadly similar to the equivalent period in 2007. Numbers of unique users visiting the web continued to increase.

#### **1147 HUMAN RESOURCES**

##### **(i) Health and Safety Report for the period April-June 2008 (TP 08/50)**

Trustees noted the report and agreed that it would be helpful to compare the accident report with results from other museums and galleries. Work was in progress to obtain benchmark data where possible though not all museums and galleries in the sector reported such data in the same way and direct comparison might be difficult.

Mr Brereton also gave an update on work to determine the level of the pay bill and the main objectives for achieving it. In connection with this, Professor Lane confirmed that a paper on the work which had been carried out on curator competencies would be presented to the Board in November.

#### **1148 SCIENCE GROUP**

##### **(i) First Quarter 2008/09 (TP 08/351)**

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

Forensic entomology – Dr Martin Hall had been awarded a Public Sector Research Establishment grant by the Department for Innovation, Universities and Skills. The announcement of this award and others had been made at the Museum by Science and Innovation Minister, Ian Pearson, on 23 January.

The award would enable the Museum to invest in the areas of intellectual property knowledge base and staff capacity, infrastructure, marketing and sales promotion, and training for potential customers, thereby increasing the range of case types that the service could be applied to and significantly expanding the revenue it could generate. Dr Hall would give further background on the development of the service over the past 10 years in a presentation later in the meeting.

Museum journals – the Museum's two in-house published journals, *The Journal of Systematic Palaeontology* and *Systematics and Biodiversity* had both made significant progress in their impact factor, with the latter receiving its first journal impact factor since its establishment in 2003.

Performance – the annual outturn for completion of PhDs with UK universities during 2007/08 in less than 4 years was 90%. Professor Lane would present an in-depth review of post graduate training at the Museum to the November meeting. The value of new grants to the Museum had been significantly enhanced in the first quarter by the award of SYNTHESYS 2. Trustees would receive a fuller briefing on this project once contract negotiations were complete.

(ii) **Visiting Group to Botany – progress report**

Professor Lane gave an update on progress with the recommendations from the 2007 Visiting Group report. The department had welcomed the development of appropriate processes to increase their input to the strategic planning process and progress was being made. Work to develop closer interaction and joint collections initiatives with Kew, in view of the imminent move of some botany collections to Darwin Centre Phase Two, was progressing slowly, though agreement had been reached with both Kew and Royal Botanic Garden Edinburgh to use compatible storage systems to allow for greater movement of specimens between institutions.

(iii) **Outcome of May Science discussion on Taxonomy at the NHM (TP 08/52)**

Trustees noted the outcomes of the session, which would be incorporated into the development of a Museum strategy to address the vision of the future of taxonomy adopted by the European Distributed Institute of Taxonomy (EDIT). Trustees would have the opportunity to review the strategy in due course.

**1149 PUBLIC ENGAGEMENT GROUP**

(i) **First Quarter 2008/09 (TP 08/53)**

Ms Ament highlighted a number of items from her report:

Evolution Campaign – Further to their endorsement of the new approach in May, Trustees noted the progress that was being made, including the launch of the Annual Fund which would take place in September. The corporate fundraising environment remained a challenging one, but approaches to this sector would continue to be made.

Visit Planners – A new team of staff had joined Visitor Services to help guide visitors depending upon the time that they had available, their interests and the composition of their group. The aim was to provide direction, for those visitors who wished to take advantage of it, on how to negotiate a potentially complex and overawing experience.

Darwin200 – The partnership had been officially launched at the Museum on 3 June. As a backdrop to much activity, the statue of Darwin had been moved to a more prominent position at the top of the main staircase in the Central Hall.

Catering – the Museum was running a tender process for the new public catering contract. The new contract would run for a period of 5 years from 1 October 2008.

Trustees noted the report and requested an update on progress with the Falcon Project at the November meeting.

**1150 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 08/54)**

The rolling agenda for future meetings was noted.

**1151 EVENTS DIARY (TP 08/55)**

The events diary was noted. Trustees would be alerted over the summer to key events coming up in the autumn to which they were invited.

**1152 ANY OTHER BUSINESS**

Two items were raised:

- Fundraising Standards Board- Trustees gave their agreement that an application be submitted for membership of the Fundraising Standards Board (FRSB). The FRSB was responsible for implementing and overseeing a transparent self-regulatory scheme for fundraising in the UK and membership would provide the Museum and its potential funders with assurance that the highest standards in fundraising were being observed.

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

#### **1153 COMMERCIALISATION OF NHM FORENSIC ENTOMOLOGY CONSULTANCY SERVICE (TP 08/56)**

Dr Hall joined the meeting and gave a presentation on the work of the forensic entomology consultancy service. A recent award from the Department for Innovation, Universities and Skills (Public Sector Research Exploitation (PSRE) Fund – Fourth Round) as detailed in Professor Lane's report earlier in the meeting, would enable the service, which was already at the forefront of its sector, to develop its offer, in particular to provide greater assistance to the UK police and judicial system in criminal investigations. With more capacity to invest in staff, infrastructure, marketing, sales promotion and training for potential customers, it was hoped that the consultancy would generate more significant levels of income for the Museum.

#### **1154 DATE OF NEXT MEETING**

Tuesday 25 November 2008 at 0930 at The Natural History Museum.