

**THE NATURAL HISTORY MUSEUM**

**AT A MEETING ON**

**THURSDAY 21 MAY 2009**

**AT 9.30 A.M.**

**AT THE NATURAL HISTORY MUSEUM**

**Present**

**TRUSTEES**

Oliver Stocken (in the Chair)  
Daniel Alexander QC  
Professor Sir Roy Anderson FRS FMedSci  
Louise Charlton  
Professor David Drewry  
Professor Dianne Edwards CBE FRS  
Professor Alex Halliday FRS  
Ian Henderson CBE  
Professor Jacqueline McGlade  
Professor Georgina Mace CBE FRS  
Sir David Omand GCB

**In Attendance**

Dr Michael Dixon	Director
Sharon Ament	Director of Public Engagement
Paul Brereton	Director of Human Resources
Rachael Casstles	Special Advisor
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
Louise Emerson	Head of Business and Commercial Strategy ( <i>minute 1206 (ii) only</i> )

**1195 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Dr Derek Langslow.

**1196 MINUTES OF THE MEETING OF 24 FEBRUARY 2009**

The minutes of the meeting of the Trustees held on 24 February 2009 were confirmed as a true record.

**1197 MATTERS ARISING FROM THE MEETING OF 24 FEBRUARY 2009 (TP 09/24)**

Revenue sharing with investors – following the discussion with Trustees, the outcomes had been considered by the Museum's Intellectual Property Committee. It was agreed that the Museum should seek to benchmark its practices against the university sector. Trustees recommended that, in addition to the University of Cambridge, University College London (UCL) and Imperial College, relevant documentation should also be sourced from the University of Oxford.

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

**1198 CHAIRMAN'S REPORT**

(i) Appointment to the Board (TP 09/25)

Trustees noted that a process was underway to appoint a new Trustee to the vacancy created by Professor McGlade's retirement from the Board on 31 December 2009. This process was being overseen by the Trustees' Nominations Committee, which for the current round comprised Mr Stocken (Chair), Professor Mace and Sir David Omand.

Trustees agreed the draft role specification for the current vacancy, which focussed on environmental science and policy (especially in Europe), but had a further discussion on other skills requirements on the Board, particularly for science, and as a result agreed that it would be helpful to draft a further role specification in anticipation of Professor Edwards' retirement from the Board in 2011. Articulation of the two roles together would help to ensure that all immediate and future requirements for science were covered. The additional draft would be circulated to Trustees in due course.

Trustees recommended names of individuals who might be invited to apply for the role to add to those which might arise from the advertisement process.

### **1199 DIRECTOR'S REPORT (TP 09/26)**

The Director highlighted the following items from his report:

Museum pay remit for 2008/09 – approval from Treasury had finally been received for the Museum's pay remit for 2008/09, incorporating a new competency based scheme to facilitate career progression. Negotiations were underway with PCS and Prospect to implement the pay deal.

Plans to accommodate reduced government grant-in-aid – the outcome from the Chancellor's Budget announcement on 22 April had been better than anticipated, with DCMS choosing to protect funding for museums and galleries. However, capital grant-in-aid was still at risk and there were potentially more substantial cuts to come after the next General Election, when a new administration would need to undertake a serious revision of public sector finances. Therefore, the Museum would continue to review its income and expenditure and consider how it could operate more efficiently in the future. Trustees would receive a full report on the likely impacts on the Museum when the draft budget for 2010/11 was submitted to the Board in November.

Trustees discussed in particular the opportunities which existed or could be created for shared services. It was clear that there were real efficiency savings to be made within the South Kensington group of institutions via both the network of members of the Exhibition Road Cultural Group and also the National Museum Directors' Conference (NMDC). Some progress was already being made with the National Museum of Science and Industry (NMSI) and discussions were underway with the Victoria and Albert Museum (V&A).

Trustees supported the leading role which the Museum was taking in this area, since increased sharing of services was already encouraged by Government and likely to be formalised further at some point. It was agreed that Trustees should henceforth receive an update on progress with shared services at each meeting.

Trustees' Strategy Day – Trustees approved the draft agenda for the meeting on 18 June. They noted that it would focus on a long range look at how delivery of the Museum's vision should be pursued within new limits on expenditure.

Memorial for victims of the 2004 Boxing Day Tsunami – The Chairman had represented the Museum at the AGM of the Tsunami Support (UK) group at which it had been agreed that a small working party from TS (UK) would meet at the Museum to pursue viable options for the purpose of making a recommendation to the affected families and the DCMS Humanitarian Assistance Unit on a memorial to the victims of the 2004 Boxing Day Tsunami. That meeting had taken place on 15 May and it was clear that an outdoor memorial was still considered desirable. Having heard the outcomes of the meeting, Trustees reconsidered their position and agreed that a modest memorial in the grounds of the Museum would be possible.

It was agreed that the priority for the Museum at present must be to finish landscaping works and then open the second phase of the Darwin Centre. However, discussions on the size and location of a memorial, which was most likely to be in this area, could, in the meantime, continue. Trustees noted that the informal offer from DCMS to fund ongoing maintenance of the memorial had not yet been confirmed.

Update on the DCMS Peer Review Process – the Chairman had presented the Museum's views, particularly on greater Trustee involvement and devoting more time to future reviews, at a meeting of NDPB Chairs on 13 May. Trustees noted there was a degree of uncertainty about the future of the process, given recent cuts to DCMS funding.

Outturn for 2008/09 – Trustees were pleased to note that, despite the challenging economic environment, the Museum had performed extremely well over the past twelve months, with an increase in visitor numbers and impressive growth in visitor-related income. Trustees commended the efforts of all staff in achieving this positive outcome.

Trustees acknowledged that these positive results were partly due to the Museum's high profile within the Darwin200 celebrations. They gave their support for the work which was being done (with funding from DEFRA) to develop the networks created from Darwin Year in advance of the International Year of Biodiversity in 2010.

### **1200 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 09/27)**

The Board reviewed the most up to date version of the register of interests, which now included those for Directors' Group, and provided amendments.

### **1201 PROVISIONAL FINANCIAL YEAR END OUTTURN FOR 2008/09 (TP 09/28)**

Trustees noted that the provisional year end outturn was above the original budget used in preparation of the balanced budget for 2009-10. This was generally attributable to a strong performance for self-generated income, largely from special exhibitions, admissions income and retail.

In terms of membership, Trustees were pleased to note that, as a result of Darwin200, that there had been an increase in subscriptions. In parallel, there was a slight downturn in income year on year due to the decision to remove donations from membership income.

Trustees noted that the latest forecast outturn for Darwin Centre Phase Two was above the approved budget, but it was intended to underpin this shortfall with the excess from the General Fund surplus. Formal approval for this proposal would be sought later in the meeting.

### **1202 PERFORMANCE SCORECARD – CORPORATE KPIs TO END OF FINAL QUARTER 2008/09 AND FINAL OUTTURN (TP 09/29)**

Trustees noted the overall outturn and in particular that visitor figures were up 1.7% on previous year.

However, Trustees enquired about the fall in the number of children under 16 visiting the Museum by comparison with previous year. Although this was partly attributable to greater numbers of visitors from overseas travelling without children and the adult focus of the Darwin marketing campaign, Trustees were interested to know whether there were any other underlying factors contributing to the decrease. The Director confirmed that figures for visitors under 16 were estimates based on samples and that in future, it might be necessary to present these figures in a different, more representative way, perhaps using error margins. Ms Ament added that a great deal of work was being carried out with children under 16 as part of the benefits realisation programme for DC2. This audience work could be presented to a future meeting for Trustees' information.

Trustees also felt that the increase to carbon emissions year on year was cause for slight concern, although it was largely due to the Combined Heat and Power (CHP) project coming into full operation and the consequent increase in gas consumption. In addition, the construction of DC2, a highly serviced building compared to the old Entomology Building which had relied on natural ventilation, had also led to a greater level of emissions. Steps were, however, being taken to actively reduce emissions and real savings were being realised on electricity consumption.

Professor McGlade commented that environmental technology was developing very quickly and required constant review. Attention was beginning to focus more on improvements to older buildings and there were indications that targets for reducing carbon emissions in this area could be introduced.

Trustees agreed that this was an important area to monitor which required their greater understanding. They requested that the complexities of the subject, including the situation with regard to older buildings and benchmarking against other similar institutions, be incorporated into an explanatory paper for their next meeting.

The Director confirmed that Directors' Group would be reviewing the robustness of all its measurement criteria at their June planning conference, which might result in changes to the way information was presented in future.

### **1203 DARWIN CENTRE PHASE TWO MANAGEMENT REPORT (TP 09/30)**

Mr Greenwood presented an update report on all elements of the Darwin Centre Phase Two programme, focussing on the following areas:

OGC Gateway Review of Darwin Centre Phase Two (DC2) – the joint Gate 0 (Strategic Review)/Gate 4 (Readiness for Service) review was now complete. The report, which was tabled at the meeting, concluded that the programme for DC2 was well placed to deliver its intended outcomes and that the project had already begun to deliver service benefits to the Museum. Overall, the project had been deemed an excellent example of effective programme management and project delivery. There were a small number of recommendations to address, none critical, but all important, and the Museum would draft a management response which would be copied to members of the Board.

Trustees commended the work of the project team in achieving a highly positive outcome from what was a well regarded and robust review process.

Public Programme – Ms Ament confirmed that she was content with the rate of progress thus far, with the Cocoon on target for completion, including the interactive wall. There was, however, a chance that the handheld interactives for the David Attenborough Studio might not be ready in time for the autumn launch. Trustees agreed that this element must open at a later date if necessary and not cause any delay to the main opening.

Budget – Trustees noted that the current expenditure forecast was in excess of the budget which they had approved on 25 November 2008. This had arisen from a variety of sources, including construction, public offer, landscaping, professional fees and any minor matters occurring during the early period of occupation by staff. It was proposed that the additional expenditure be covered by an increase to the Museum's own contribution to the project (from General Fund surplus) supported by currently unallocated contingency and separate funds held to address Darwin Centre matters during 2009-11.

Trustees approved this proposal, bringing total expenditure on the project to a capped budget of £78.5m. In addition, they requested, for the benefit of newer members of the Board and to provide an overall context for recent decisions, that a paper summarising the key milestones in the development of the project and confirming the stages at which Trustee approval had been given for developing costs, be submitted to the November meeting. This should also provide a critique of the general outcome of the project following completion.

#### 1204 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:

Accounting Timetable – the programme was rather tight, given that the accounts needed to be tabled to Parliament before Recess. Trustees agreed that the accounts could, if necessary, be authorised by the Chairman if they were not ready in time for the July Board meeting.

Head of Audit and Assurance Plan for 2009/10 – a review of hospitality registers was to be added to the plan for 2009/10 and advice sought if necessary.

Annual update on risk management – Trustees noted that methods of recording risk were now improved across the Museum. In immediate terms, it had been agreed that consideration would be given to estimating the Museum's financial exposure should it be required to close as a result of an H1N1 swine 'flu virus epidemic.

Capital Programme – concern had been expressed over the limited expenditure during the year, though this was largely due to late notification and better than anticipated provision of capital funding in 2008/09. This would be carried forward, but Trustees were conscious that future capital funding was uncertain since the Treasury might reallocate funds to other departments in an attempt to stimulate growth.

Departmental Risk – the presentations from Mineralogy and the Museum Manager on departmental risk had been well received and did not give rise to any concern in either area.

(ii) **Head of Audit's Annual Report and Assurance 2008/09 (TP 09/31)**

The report had been considered by the Audit & Risk Committee at their meeting on 13 November. Trustees noted the additional requirement in 2008/09 to provide an opinion on the soundness of the controls in place to ensure the effective management of information risk. A positive report was provided showing significant achievements, though some actions were still to be implemented.

As a consequence of the Museum's expenditure review work, it might be necessary later in the year to carry out value for money audits, but these would be reported to Trustees as necessary.

Trustees noted that reasonable assurance had been given by the Head of Audit that an adequate and effective risk management and internal control framework was in place to ensure the proper conduct of business and the achievement of the Museum's aims and objectives.

(iii) **Annual Health & Safety Report for 2008/09 (TP 09/32)**

Trustees noted the summary of activities and achievements relating to Health and Safety in the Museum during 2008/09. They were satisfied with the assurance that adequate Health and Safety controls were in place across the Museum.

(iv) **Information Risk Management & Security Policy Framework (TP 09/33)**

The report had been considered by the Audit & Risk Committee at their meeting on 13 November. Mr Breton, as Senior Information Risk Owner (SIRO) presented an update on the action taken by the Museum to identify and manage information risk and its response to the Security Policy Framework (SPF) and its mandatory recommendations. Trustees were content that the Museum was taking its obligations seriously and approved the schedule at Appendix 1 which formed the basis of the Museum's response to the mandatory SPF requirements. The Director, as Accounting Officer, would inform DCMS of the Museum's position.

Trustees also noted progress against the commitments to governance and management made to Trustees in November 2008. Further updates would be submitted to the Audit & Risk Committee as work progressed.

#### 1205 MUSEUM DEVELOPMENT FRAMEWORK (TP 09/34)

Following the presentation to Trustees at their 2008 Strategy Day, the Museum had, with its consultancy team, produced a definitive Masterplan Development Framework (MDF). The framework was a critical tool to inform the Museum's future physical development and the realisation of its vision for the next 25 years, providing a flexible approach for the uncertainties of the future, rather than a definitive Masterplan relevant to a fixed point in time. A key element of the framework was a set of Development Principles, which provided a strategic brief for future operation, utilisation of space and circulation.

Trustees made a number of points:

- Given the Museum's position within the greater estate of Albertopolis and the overarching plans for Exhibition Road, Trustees debated whether it would be helpful for a chief surveyor to provide a coordinating role. This might be raised with the Exhibition Road Culture Group which was currently chaired by Ms Ament.
- That the Museum should utilise the opportunity to give greater priority to learning spaces, currently housed primarily in the basement of the Museum
- The real requirement for a centralised Library, in view of the increasing trend towards digitisation and offsite storage. Trustees acknowledged that a review of the Strategic Plan for the Library was due to be conducted during the year, which would address both of these issues

Subject to these comments, Trustees approved the Summary of the MDF, in particular the Development Principles, for wider circulation to interested parties, including local residents, the Royal Borough of Kensington and Chelsea (RBKC), English Heritage and the Department for Culture Media and Sport (DCMS)

## **1206 THE NATURAL HISTORY MUSEUM'S INTELLECTUAL TERRITORY (TP 09/35)**

Paper TP 09/35 presented a piece of work which dealt with the Museum's need to start solidifying its ownership of the areas of its expertise, for both science and public engagement, and those on which it would wish to take a position. This 'intellectual territory' aimed to guide the Museum's work, especially in terms of its communications and plans for its public programme, including gallery content and subject matter for temporary exhibitions. It also provided a driver for the Museum's commercial interests in licensing and publishing. By setting out its intellectual territory, the Museum would be able to provide a more proactive voice of authority on the natural world, state its views on scientific issues and have more confidence to speak out on topical issues.

In discussion, Trustees raised a number of questions about whether the areas identified truly reflected the direction which the Museum was aiming to take in the future, the nature of its distinctive and unique contribution and the varying interests of its stakeholders. Given the breadth of views expressed and the links with future strategy, it was agreed that the subject should be discussed again in more detail at the Strategy Day on 18 June.

## **1207 PUBLIC ENGAGEMENT GROUP**

### **(i) Final Quarter Update 2008/09 (TP 09/36)**

Ms Ament highlighted a number of items from her report:

Visitors – visitor numbers had exceeded target in the final quarter, despite the fact that there was no Easter weekend within the 2008./09 period.

Public Programme – During the quarter, the Museum's exhibition programme had been extremely popular, particularly as a result of the Darwin celebrations. The power of a robust exhibitions programme had been clearly demonstrated, with *Late Nights* and topical discussion events based on *Darwin* selling out. On the basis of these successes, the Museum was considering whether it might introduce pay-to-view elements to its programme.

*Butterfly Jungle* had launched successfully at the beginning of May in tandem with a new donations scheme associated with admissions, which would allow the Museum to reclaim VAT on ticket sales.

Projects – Ms Ament outlined a number of major structural and public-facing projects, including refurbishments to the catering offer, Red Zone (Earth Galleries) Shop and Central Hall toilets. Work was also underway to provide a new Exhibition Road entrance, to prepare the Spencer Gallery for connectivity with the Darwin Centre and a proposed new gallery and to provide a digital way-finding scheme for visitors. All of these projects were high impact and would realise huge improvements for the Museum and for its many visitors.

Learning – The Museum had recently won the Museums and Heritage Award 2009 for excellence in education with specific regard to its Darwin Learning Programme. The award provided clear evidence of the quality of the Museum's learning offer.

Communications – the contract for the BBC Documentary series, *Museum of Life*, had now been signed with favourable terms for the Museum and significant contracted safeguards in terms of reputation management, confidentiality and security. Filming was currently underway, including on location field trips in other countries.

On Tuesday 26 May, the 47 million-year-old fossil *Ida (Darwinius masillae)*, discovered in 1983 in Grube Messel (the Messel Pit) which had recently come to light, would be displayed at the Museum for a press preview with Sir David Attenborough before travelling on to the University of Oslo Natural History Museum where it would be permanently housed for research purposes. The fossil, which, unusually, was 98% complete, was thought to be at the root of anthropoid evolution and could therefore be one of man's earliest ancestors. A cast of the fossil had been donated to the Museum and would be on display in the TREE gallery.

Development – Although the Museum had been fortunate in securing sponsorship from Veolia Environnement for the *Wildlife Photographer of the Year* exhibition, the funding environment remained tough with potential donors being more

cautious about making pledges and donations reducing in size. The Museum's approach in this area was therefore to continue to cultivate supporters in anticipation of the up-turn and to build income from the large visitor base, which had not as yet been affected by the economic downturn. Trustees endorsed this approach.

The Chairman recommended that the patron scheme be reviewed to address the mid-market, which was likely to be more fruitful in the current climate, particularly at the £5,000 level. It was agreed that proposals would be submitted to the November meeting of the Board.

Trustees noted the report.

(ii) **Overview of Commercial Performance 2008/09 (TP 09/37)**

Louise Emerson, Head of Business and Commercial Strategy, joined the meeting to present an overview of commercial performance for the year 2008/09. Overall, it had been a good year in business terms, particularly given the current economic environment. The Museum's business had expanded in some areas and many of the objectives of the Commercial Strategy, endorsed by Trustees in 2006, had been delivered.

With a difficult and uncertain year ahead, Ms Emerson reported that the Museum would be reviewing its commercial strategy to ensure that it was building upon success and taking full advantage of available opportunities to increase self-generated income. Ms Emerson then gave a presentation highlighting successes from the year's performance and outlining future plans.

Trustees agreed that it would be important for the Museum to maintain momentum in anticipation of the economy picking up in the future, and particularly during the run up to the Olympic and Paralympic Games in 2012 when visitors to London would be at their peak. Trustees enquired about how the Museum would maintain visitor interest when the focus of attention shifted to East London during the Olympics. Ms Ament confirmed that Exhibition Road had been designated Olympic Cultural Centre for London and there was a wide range of activities in place to attract visitors to the area in 2012. A presentation on progress with these initiatives and the Museum's bid to become a venue for events linked to the Olympics would be made to the July meeting of the Board.

In terms of marketing, Professor McGlade recommended exploring the establishment of a digital magazine in addition to the Museum's website, to further inform visitors and potential visitors about the work of the Museum. The interactivity and dynamism offered by this type of media (as illustrated by magazines such as 'Flyp') would be a positive addition to the Museum's offer.

Trustees noted the report.

**1208 SCIENCE GROUP**

(i) **Final Quarter Update 2008/09 (TP 09/38)**

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

Movement of staff into Darwin Centre Phase Two (DC2) – the first group of Botany and Entomology staff had begun the move into DC2, following a long period of preparation. The joint molecular labs were now functional and collections had also started to be moved. Initial feedback from staff in the new building was positive.

Donation of a fossil tree – a unique and important specimen of a petrified tree from the Jurassic Period of southern England had been donated to the Museum by an amateur collector. The tree, which had also been excavated by the collector, was 12 metres long and remarkably well preserved. It would be stored permanently at Wandsworth henceforth.

The Science of Nature – the Museum's new science report, introducing its scientific work, primarily to non-scientists, had now been published and copies were tabled for Trustees. The report would be produced on a biennial basis henceforth.

PhD student success – in the past 12 months, 13 full-time students had submitted their theses to UK universities. Of these, 10 (77%) had completed in less than 4 years.

Research grants – the percentage of researchers holding a research grant greater than £30,000 had increased from 48% last year to 60% in the current year. A comprehensive analysis of research grant performance would be given at the July meeting of the Board when year end outturn was finalised.

Individual Merit Promotion (IMP) – three staff had been recently promoted to the scheme, with four other existing staff being reconfirmed. The Museum now counted 14 IMPs out of a total of 80 researchers, which was a significant proportion for the sector.

The report was noted.

(ii) **Human Remains Data Collection Policy (TP 09/39)**

The Board had received a proposal on proactive data collection from human remains at their meeting on 24 February 2009. Whilst Trustees agreed to the proposed data collection project, they had requested that the policy governing the

goals of the project and access be revised in the light of the constructive debate held at that meeting. The policy was therefore presented for comment.

Trustees agreed that, since an overarching draft policy on human remains was due to be submitted to the Board on 14 July 2009, approval of the specific data collection policy be postponed and considered as part of that broader discussion where it could be seen in greater context. Provision of historical background on past activities and issues relating to human remains in the collection would be beneficial to the discussion, particularly for those Trustees who had recently joined the Board.

It was recommended that the draft Human Remains Policy be circulated to Mr Alexander, Professor Mace and Sir David Omand for their input in advance of the next meeting, given that they had been closely involved in the most recent dialogue with claimant communities.

(iii) **Report of November 2008 Science Discussion (TP 09/40)**

Following their discussion on 25 November 2008 on the subject of Citizen Science, Trustees noted the resulting report. Outcomes from the discussion had been considered at a joint conference of Public Engagement and Science in March and further developments were to be taken forward by Ailsa Barry and Johannes Vogel.

Professor McGlade reported that at a recent conference of the Institute of Electrical and Electronics Engineers (IEEE), it had been agreed that three task forces be set up to look at Citizen Science, data tagging and the availability of information on environmental science. Professor McGlade recommended that it would be helpful to have Museum representation on the Citizen Science task force and would facilitate this once suitable nominees were suggested.

**1209 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 09/41)**

The rolling agenda for future meetings was noted.

**1210 EVENTS DIARY (TP 09/42)**

The events diary was noted.

**1211 ANY OTHER BUSINESS**

There were no items.

**1212 SCIENCE DISCUSSION: STRATEGY FOR SCIENCE (TP 09/43)**

As part of the follow up from the Visiting Group to Mineralogy, Professor Lane reported, at the February 2009 meeting of the Board, his intention to consult individually all the Trustees with a Science background to gauge their view on a draft Strategy for Science. A summary of the discussions was provided, together with the draft strategy for consideration.

A final draft of the strategy, incorporating outcomes from the discussion, would be presented to the Trustees' Strategy Day on 18 June for endorsement.

**1213 DATE OF NEXT MEETING**

Tuesday 14 July 2009 at 0930 at The Natural History Museum.