

**THE NATURAL HISTORY MUSEUM  
TRUSTEES' AUDIT AND RISK COMMITTEE**

**83<sup>rd</sup> Meeting on Tuesday 29 January 2019**

**Present**

Hilary Newiss in the Chair  
Professor Christopher Gilligan  
Robert Noel  
Colin Hudson (co-opted member)

**In Attendance**

Lord Green of Hurstpierpoint (Chair of Trustees)  
Sir Michael Dixon (Director)  
Neil Greenwood (Director of Finance and Corporate Services)  
Jan Day (Head of Risk and Assurance/Committee Secretary)  
Jamie Patterson (Audit Manager, National Audit Office)  
Anjali Kothari (Partner, Kingston Smith)

Ian Golding (Interim Chief Information Officer) was in attendance for items 3 - 6.  
Andy Davies (Procurement Manager) was in attendance for item 9.

***ACTION***

**1 APOLOGIES FOR ABSENCE**

1.1 Alex Clark (Director, DCMS Financial Audit National Audit Office) sent his apologies. Alex Clark was in attendance for the afternoon facilitated session on Audit Committee effectiveness.

**2 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (PAPER TAC 1/2019)**

2.1 These were noted by the Secretary to the Audit & Risk Committee.

**3 MINUTES OF THE MEETING HELD ON 1 NOVEMBER 2018 (PAPER TAC 2/2019)**

3.1 The minutes were accepted as a true record of the meeting subject to two minor amendments.

## **ACTION**

### **4. MATTERS ARISING FROM THE MINUTES (PAPER TAC 3/2019)**

- 4.1 Actions for which the Museum Director was responsible were reported to the Committee at item 6.
- 4.2 Valuation of NHM's Premises 2018/19 - 01/11/18 Para 8.5 - A number of Museums were using Gerald Eve for their revaluation. A solution with efficiencies of scale will, therefore, be sought across the sector following discussion with Gerald Eve. A decision had not yet been made on whether the NAO will appoint a property specialist. Item Open.
- 4.3 Cyber Essentials - Social Engineering Test - 26/6/18 Para 4.14 - The greatest cyber security threat to NHM was from outside the Museum. The scope of Cyber Essentials which the Museum acquired in October 2018 covered External Facing Infrastructure Services. Cyber Essentials Plus to which the Museum aspired required that personal equipment was only able to access the internal network if it was authenticated. Authentication, however, required significant infrastructure investment. In the meantime the risk was mitigated by physical security controls and a social engineering test was not recommended. Item Closed

### **5. AUDIT AND RISK COMMITTEE TERMS OF REFERENCE, ANNUAL CYCLE OF INFORMATION AND AUDIT AND RISK CHARTER AND STRATEGY (PAPER TAC 4/2019)**

- 5.1 The Head of Risk and Assurance presented the Terms of Reference, Annual Cycle of Information and the Audit and Risk Charter and Strategy. The amendments recommended by the Head of Risk and Assurance were agreed.
- 5.2 Fair, Balanced and Understandable - The UK Corporate Governance Code required Boards of premium listed companies to confirm the annual report and accounts were fair, balanced and understandable. An amendment to the Audit and Risk Committee's terms of reference was made to reflect the requirement which was good practice in the public sector.

### **6. DIRECTOR'S REPORT (PAPER TAC 5/2019)**

- 6.1 The Museum Director presented his paper.
- 6.2 Director of Science Appointment - The Head of Earth Sciences had been appointed Acting Director of Science. There were some residual issues relating to the management of the Earth Science Department which were under discussion. Perrett Laver executive search firm had identified a large pool of potential good calibre candidates. The plan was to select a short list by the end of March and interview by the end of April. The Science Strategy will be finalised before the new appointment but allowing flexibility for a new Director of Science to influence, for example, research themes and centres of excellence. A member cautioned flexibility may result in a lack of focus in the Science Strategy.
- 6.3 Staff Survey - Given the low scores in some areas the Museum was running internal workshops to assist the action planning. The Museum Director will report to the Audit and Risk Committee and Board of Trustees in May on the results of the workshops.
- 6.4 ISO 45001 - The Museum will apply for ISO 45001 accreditation. In the meantime NHM will continue to be assessed under ISO 18001. Organisations must migrate to the new standard by March 2021. ISO 45001 was a new standard and only a few organisations had achieved accreditation. The British Geographical Survey (BGS) at which the Museum Director was a non-executive director had achieved registration at its Keyworth site.
- 6.5 Leadership and Management Commitment - ISO 45001 had a stronger emphasis than ISO 18001 on top management to actively engage and take accountability for the effectiveness of the management system. A member cautioned that the Museum needed to ensure it can demonstrate and deliver an improved culture of health and safety management.

MD

## **ACTION**

- 6.6 Exhibition Road - The Royal Borough of Kensington and Chelsea (RBKC) had consulted on a permanent solution for hostile vehicle mitigation to be implemented in 2019/20. The solution will be trialled during half term. Prior to implementation RBKC must: (a) confirm with the Centre for the Protection of National Infrastructure (CPNI) they are satisfied with security measures; (b) obtain planning approval and Transport for London (TFL) approval for moving cycle docking stations; (c) follow a statutory process for changes to parking bays; and (d) confirm if expenditure was within the threshold limit or required RBKC public realm scrutiny committee approval.
- 6.7 Executive Board (EB) Leadership Development - Given the low staff survey score in leadership Flint Global had been working on the Executive Board Leadership Development project. There will be a tendered triennial external review of the Board of Trustees in 2019. The Board of Trustees Chair did not wish the external review to be undertaken any earlier than June/July 2019.
- 6.8 Museum Attendance - Attendance continued to be very strong compared to prior year. A member cautioned that although increased attendance was positive for visitor-related income the overall visitor experience was reduced. This may have a negative impact on attendance. It was noted: (a) financial performance for 2019/20 was based on significantly lower visitor attendance than 2018/19; and (b) queuing had been reduced; and (c) the front entrance improved. If NHM became overcrowded the flow of visitors into the Museum was controlled.
- 6.9 Dippy on Tour - The institutions who display Dippy are part of a network sharing NHM learning resources and the Museum will discuss opportunities for touring exhibitions with the institutions. All the venues took a significant amount of NHM merchandise. One venue had approximately 10 times their annual retail sales in 3 months.
- 6.10 Collections and Gardens Programmes - Both the Collections and Gardens programmes went to the Property Committee on 28 January 2019. The Science Advisory Committee had a presentation on the Collections Programme.
- 6.11 Gardens Project - The funding risk in relation to the Gardens Project had not changed. Although there had been a rejection from the Heritage Lottery Fund on the grounds of lack of available funds, sponsorship was being raised from other sources.
- 6.12 Collections Programme - Two pieces of work were necessary to decide on the Collections Programme options before the next Spending Review: (a) the relative merits of the strategic scientific case for which collections and staff make most sense to move; and (b) establish a framework to consider the strategic viability of various collection and staff moves. A pragmatic decision must be made on the option(s) depending on: (a) the commercial terms required to secure offsite building(s); and (b) Treasury funding, rather than opting for an ideal solution.
- 6.13 Science Advisory Committee - Science Advisory Committee had discussed the fact that there had been work on logistics, space requirements and cost effectiveness. The Collections Programme will, however, have long term consequences for Science. A serious assessment must be made of: (a) the science resources and equipment needed in the long term; (b) the science facilities to be provided in the vacated space in South Kensington; and (c) any separation of the biological and physical collections. It was critical decisions were made quickly and there were a series of work packages to look at amongst other things points (a) - (c).
- 6.14 Property Committee - The member who chaired the Property Committee observed scientific decisions must be made before logistical decisions by the Property team. In order to refurbish the South Kensington site a significant amount of the collections must be moved offsite e.g. equivalent to the Palaeontology Collections. It will be most cost effective to do that once. The Chair of Science Advisory Committee had agreed to sit on the Property Committee in view of the importance of the Collections Programme.

## **ACTION**

**MD/NG/CJ**

- 6.15 *Preferred Option* - It was agreed that following discussions with key trustees the Executive Board must: (a) present the May Board of Trustees with a preferred Collections Programme approach; and (b) subject to trustee's approval take the preferred option to the Department for Digital Culture, Media and Sport (DCMS) in May/June and the Treasury.

### **General Data Protection Regulation (GDPR)**

- 6.16 The Interim Chief Information Officer presented the Jaw Consulting EU GDPR Gap Analysis/Readiness Assessment executive summary. The Interim Chief Information Officer and the Information Management team had yet to work through the detailed findings and recommendations. The team had made considerable efforts in developing a robust information assurance/governance framework, however, a number of areas needed improvement. In particular: (a) data mapping was not comprehensive; (b) further work to ensure that 3rd parties (Data Processors) were compliant; (c) further staff training; and (d) an information incident response process put in place.
- 6.17 The Interim Chief Information Officer's intention was to ensure the Museum was GDPR compliant. He did not take comfort from initial ICO statements relating to a light touch approach to enforcement. The Museum's compliance position was not out of line with other organisations.
- 6.18 Data Transfer Post Brexit - The Museum had identified the majority of its data was held within the UK at the NHM data centre. Some data, however, was held within the EU. There were model transfer of personal data contracts which could be put in place quickly if the UK were considered a third country post Brexit.
- 6.19 BP Chief Information Security Officer (CISO) - The CISO at BP had agreed to provide pro bono advice to the Museum and help NHM focus attention on the right areas.
- 6.20 CIA Ranking Methodology - It was best practice to rank all data (including personal data) according to Confidentiality, Integrity and Availability to make decisions and prioritise effort. This process had not yet taken place in the Museum. As a result the top ranked data had not been identified. A member cautioned it was vital that this was done.
- 6.21 Subject Access Requests (SAR) - It was observed that under the GDPR individuals can request access to their data, erasure and rectification. Data Controllers were required to respond in no more than 1 calendar month. The Museum had not received many requests since May 2018 and maintained retention schedules for all departments. Any increase in SARs was likely to be HR related.
- 6.22 Mobile Devices - The Partner, Kingston Smith observed that the Information Commissioner had issued fines in relation to mobile devices e.g. laptops. NHM allowed email access to employee-owned mobile devices and this could be shut down quickly.
- 6.23 Action Plan - The Director of Corporate Services and Interim Chief Information Officer will draw up an action plan taking into account advice from the BP CISO. The plan will address the essential recommendations in the Jaw Consulting report. It was agreed the plan for the next 12 months will be brought to the May 2019 Audit and Risk Committee and then to the Board of Trustees.

**NG/IG**

## **ACTION**

### **7. DIRECTOR OF FINANCE & CORPORATE SERVICES' FINANCIAL REVIEW FOR THE PERIOD APRIL 2018 – DECEMBER 2018 (PAPER TAC 6/2019)**

- 7.1 The Director of Finance and Corporate Services presented his paper.
- 7.2 Operating Surplus and the General Fund - The Museum had a good financial quarter for October to December 2018. It was anticipated that strong commercial performance will continue for the rest of the year and result in a significant increase in the forecasted outturn for operating surplus and the General Fund.
- 7.3 Income and Expenditure Forecasts - A review of income and expenditure forecasts, based on the end of December 2018 position, was in progress. Increased forecasts were expected on related visitor income. The Ice Rink had been very successful generating approximately £700k. The Visitor Events team deserved great credit for the success of movie nights and yoga in the Hintze Hall, crime scene live, New Year's Eve party etc. The only income concern related to licencing.
- 7.4 Business Planning 2019/20 - Visitor related income business planning for 2019/20 was based on circa 5m visitors which was below current 2018/19 figures. There was also a possible risk around donors and the Gardens Programme which needed to be built into programme finances.
- 7.5 Members commended the Museum and staff on the success of commercial performance.
- 7.6 Operating Expenditure - It was noted that operating expenditure had remained comparable with the previous year. This was due to the action taken to reduce expenditure. It was unlikely, however, operating expenditure will remain stable in the long term with increased cost pressure from business rates, energy, maintenance and pay.

### **8. KINGSTON SMITH PRE AUDIT LETTER YEAR ENDED 31 MARCH 2019 (PAPER TAC 7/2019)**

- 8.1 The Kingston Smith Partner presented the Pre Audit Letter.
- 8.2 The Committee reviewed and approved the audit approach set out in the Pre Audit Letter for the year ended 31 March 2019. The letter and the audit timetable had been drawn up following a meeting with the Director of Finance and Corporate Services and his team.
- 8.3 Audit Fees - The Committee approved the estimated audit fees.
- 8.4 Letter of Engagement - The Committee reviewed and approved the letter of engagement.
- 8.5 Fraud - Internal fraud was increasing in all sectors and Kingston Smith were changing their approach with the use of data analytic IT programs to help identify suspicious transactions. The fraud Kingston Smith had identified in other organisations was in relation to suppliers, bank mandate fraud and missing stock rather than cash.
- 8.6 Cash and Card Transactions - Kingston Smith will review the system and controls in respect of both cash sales and debit/credit cards transactions.

### **9 HEAD OF RISK & ASSURANCE PROGRESS REPORT (PAPER TAC 8/2019)**

- 9.1 The Head of Risk & Assurance presented her paper and her report on Modern Slavery.

## **ACTION**

9.2 The Head of Risk and Assurance outlined the changes to the audit plan i.e. audits which had been postponed and additional work undertaken. The Audit and Risk Committee Chair had recently discussed the audit work plan with the Museum Director and Head of Risk and Assurance.

**MD/HN/JD** 9.3 Staffing - The Head of Risk and Assurance had written a brief paper on staffing options for the Risk and Assurance team. The paper will be discussed by the Audit and Risk Committee Chair, Museum Director and Head of Risk and Assurance.

9.4 Contracts Database - The backlog of contracts not on the database had been eliminated. The Director of Finance and Corporate Services had asked the Procurement Manager to put together a proposal on how the database can be maintained going forward. This required an assessment of the risk around specific contracts. Currently there was a temporary member of staff in Procurement maintaining the database centrally. However, the Director of Finance and Corporate Services did not regard this as a long term solution.

**HN/MD/JD** 9.5 Outstanding Recommendations Priority 1 and 2 - A member observed that staff resources, staff turnover and vacancies across the Museum generally impacted on the progress of priority 2 recommendations. The Audit and Risk Committee Chair will discuss options for accelerating outstanding recommendations with the Museum Director and Head of Risk Assurance.

### **Modern Slavery**

9.6 The Committee discussed progress on the recommendations in the Head of Risk and Assurance's Modern Slavery audit report with the Procurement Manager who had been given responsibility for taking the recommendations forward. The Procurement Manager joined the Museum at the end October 2018. He had worked in procurement for 31 years and spent nine years with the London Universities Purchasing Consortium (LUPC) of which the Museum was a member. He had led on Modern Slavery at the LUPC and in the higher education sector.

9.7 Risk Based Approach - The Procurement Manager was taking a risk based approach to managing the risk of slavery and human rights abuses happening in the Museum's complex supply chains. Work will focus on: (a) the garment and electronics industries; and (b) services where low pay was prevalent i.e. cleaning, catering, security.

9.8 Modern Slavery - Statement and Protocol - The Procurement Manager presented: (a) a Modern Slavery Statement for 2017/18; and (b) a Modern Slavery Protocol. The Protocol set out the action to take if staff or others suspected that someone may be a victim of slavery. The Protocol was agreed with Security and it will be included in the Staff Handbook. Members cautioned, that the key goals set out in the Modern Slavery Statement must be achievable. The Director of Finance and Corporate Services and Procurement Manager assured the Committee the actions were achievable.

9.9 Electronics Watch and Sedex - In 2018, the Museum became affiliated through LUPC to Electronics Watch who monitor global electronics supply chains for human rights abuses. The Museum will include supplier due diligence and monitoring clauses in its forthcoming contracts for a large IT order. In addition, the Museum had recently joined Sedex a shared online database of factory audits for garments. The Museum will only be the second public sector Sedex member. The use of the Sedex database will help ensure that staff/contractor uniforms and garments sold in NHM shops had all been made in audited factories.

9.10 Government and the Prime Minister - It was noted that the eradication of modern slavery within UK businesses was a priority for the Government and the Prime Minister. It was something the Museum must take very seriously and it would be commendable if NHM led the way in the public sector.

## **ACTION**

- 9.11 Cleaning, Catering, Security - The Head of Procurement was meeting contract managers to assess the risk in these suppliers businesses. It was noted if suppliers employed staff directly the risk was low. If, however, staff were employed through a third party agency the risks were higher and a due diligence process was required. The payment of the minimum wage was a term in contracts with Museum suppliers.
- 9.12 Members commended the Procurement Manager on the action he had taken.

### **10. RISK AND ASSURANCE DRAFT ANNUAL PLAN 2019/2020 (PAPER TAC 9/2019)**

- 10.1 The Head of Risk & Assurance presented her plan.
- 10.2 The plan was devised taking into account: (a) discussions with the Audit and Risk Committee Chair and Museum Director; (b) the current Risk Universe; and (c) the current list of key strategic red risks.
- 10.3 Due to the number of areas which must be reviewed annually the time available for discretionary reviews was limited. The plan was still in draft and dynamic. It was noted that it was difficult to estimate accurately the number of days required for audits particularly in the case of new areas e.g. Modern Slavery.
- 10.4 The members approved the plan.

### **11. BOARD ASSURANCE FRAMEWORK QUARTER 3 (PAPER TAC 10/2019)**

- 11.1 The Museum Director presented his paper.
- 11.2 There were a number of risks on the Board Assurance framework which will not be mitigated in the short term and will remain on the framework going forward with an unchanged score.

## **MD/JD**

- 11.3 The Committee requested that staff received feedback that the quarterly reporting in the Board Assurance Framework was very informative to members. The Museum Director was also commended on his useful summary. The Audit and Risk Committee Chair reviewed the gaps in the Board Assurance Framework with the Head of Risk and Assurance and requested further detail be provided where necessary.
- 11.4 Terracotta Maintenance - The Property Committee had identified a new risk - there was a significant rising cost in terracotta maintenance.

### **12. PRESENTATION BY THE MUSEUM DIRECTOR ON THE MAJOR CORPORATE RISK C1 – WE DO NOT SUCCESSFULLY MAKE THE CASE FOR GOVERNMENT RESOURCE OR CAPITAL SUPPORT AND FAIL TO DELIVER NECESSARY PROJECTS TO SUPPORT OUR LONG-TERM OBJECTIVES (PAPER TAC 13/2019)**

- 12.1 The Museum Director made his presentation on the management of the risk.
- 12.2 Without capital investment NHM collections were at risk and the Museum's infrastructure had a high propensity to fail, threatening operations. Annual Government capital funding of major museums and galleries was insufficient to maintain the built infrastructure. NHM received £2.3m per annum and needed circa £12m. The Museum Director outlined the action being taken to engage with: (a) key scientists/scientific bodies; and (b) the Department for Digital, Culture Media and Sport (DCMS) and Treasury both of whom acknowledged the case for funding support. The Museum had worked hard on successfully building a good reputation in Whitehall.

## **ACTION**

- 12.3 Spending Review Risks - A risk for the next spending review was that one organisation suffered a crisis with serious built infrastructure problems which necessitated major government funding emergency support. This would reduce the available capital Government funding. It was also noted significant government funding was directed towards medical, data science, engineering and biomedical research institutes where the benefits of their work to society were comparatively straight forward to demonstrate.
- 12.4 Treasury's Green Book - The Museum's large capital investment bid to the Treasury for collections storage must meet the requirements of the Treasury's Green Book. The Green Book set out guidance on how to develop transparent, objective, evidence-based appraisal and evaluation of project proposals. The guidance required the NHM collections to be valued in economic terms pre and post investment which was challenging. The Museum must demonstrate the NHM collections and their digitisation was part of the UK's science infrastructure and generated wealth for the nation. The Treasury had: (a) criticised other organisations collections/object valuations; and (b) requested DCMS used an improved methodology for valuing Museum collections.
- 12.5 The Museum was working with DCMS, their new Chief Economist and the DCMS Evidence and Analysis Unit (EAU) to understand how to strengthen the Museum's economic business case for collections storage funding. It was observed that natural capital which included elements of nature that had value to society e.g. forests, fisheries, biodiversity, land and minerals was now included in the Green Book. A methodology for demonstrating the collections cultural economic business case was also being developed but will not be ready for the DCMS/Treasury submission in May/June.
- 13. RISK UNIVERSE RED RISKS 2019/20 (PAPER TAC 11/2019)**
- 13.1 The Museum Director presented his paper.
- 13.2 At this time of year the Museum started to think about the major risks to the Museum's operations. Trustees were asked via their representation on the Audit and Risk Committee to engage in a discussion about the changes that may impact the Museum in the next fiscal year. In March the Museum's Senior Management Team (SMT) will revisit the elements of the 'Risk Universe' that fall to them, rescore the risks and consider whether any new or emerging risks should be added.
- 13.3 The terms and execution of the plan for the UK's exit from the European Union was the biggest risk. It was noted that other issues such as brand value, staff, data security and modern slavery will increase in importance.
- 13.4 Science - A member observed only two of the risks on the Board Assurance Framework were science related. As the Museum had positioned itself as a scientific institution it needed to be able to demonstrate, communicate and maintain the quality, relevance to society and impact of its science. If NHM were unable to do this Government funding and capital investment will be harder to secure. To help mitigate the risk the Museum used external science visiting groups and had set up the Science Advisory Committee. The Science Advisory Committee, however, were concerned that the direction of NHM science had not been set out clearly in the Science Strategy. It was noted: (a) UK Research and Innovation (UKRI) who funded a possible Collections Programme partner had strong expertise in the physical and medical sciences but not in life sciences; and (b) a strong and productive pharmaceutical sector was important to the British economy.

## **ACTION**

### **14. BREXIT - RISK ASSESSMENT AND PREPARATIONS FOR A NO DEAL SCENARIO (PAPER TAC 12/2019)**

14.1 The Director of Finance and Corporate Services presented a schedule of the risks relating to a “No Deal” Brexit and an outline of the actions taken to prepare for such an event. The risks schedule had been categorised in line with the recommended approach from DCMS and submitted to DCMS. DCMS had provided links to central guidance, however, DCMS had not offered any practical help.

**NG** 14.2 Critical Life Support Systems - It was observed the Museum needed to identify critical life support systems e.g. fire safety and ensure maintenance parts were available.

14.3 EU Funding - The risk to EU funding was mitigated by the UK Government underwrite guarantee. There were, however, risks to: (a) grants submitted but not awarded up to 29 March; and (b) consortium partner payments made by the Museum to institutions in the EU. It was noted the scientific community within both the UK and EU were equally concerned that there should be continued scientific collaboration going forward.

14.4 There were a few key issues still to be followed up. However, the Committee were content that sufficient action had been taken to manage the risk of a “No Deal” in the light of the changing political landscape.

### **15. FUTURE AGENDA ITEMS**

**HN** 15.1 It was agreed that ideally both Centres of Excellence and the Staff Survey should be on the May 2019 Audit and Risk Committee agenda. The Audit and Risk Committee Chair will discuss with the Museum Director.

15.2 Staff Survey - The Staff Survey had highlighted a lack of leadership which may be related to staff turnover. Ciph the Museum’s HR system can produce a report of complemented posts with current vacancies but not previous years. It was noted that there was often no handover process between exiting staff and new staff.

### **16. ANY OTHER BUSINESS**

**NG** 16.1 Head of Human Resources (HR) - The Museum was advertising externally for a new Head of HR as the current post-holder was retiring. The chairs of the Board of Trustees and Audit and Risk Committee recommended the status of the new Head of HR was increased. The Museum should appoint a strong candidate with a broad understanding of HR, how a business works, HR policies and employee data.

16.2 In House Lawyer - The Procurement Manager had written a paper on the “Provision of Legal Services” which was going to the Corporate Services Executive the week beginning 4 February 2019. The paper recommended the Museum advertise for an experienced, permanent full-time or part-time solicitor to provide primary legal support, preferably with specialisms in commercial practice areas.

**NG** 16.3 It was observed a number of the audit findings by the Head of Risk and Assurance highlighted that the Museum was not always meeting regulatory standards or best practice. This was a reputational risk and the Museum needed a legal corporate secretary function with a holistic view of legal compliance across the Museum. Currently specialist managers in the Museum kept abreast of laws and regulations in their professional areas making it difficult to know all the legal requirements. The Head of Risk and Assurance had recommended a central register of legal responsibilities was drawn up. However, although a former member of staff in the Directorate had begun the process it was never completed.

**ACTION**

- 16.4 HR Policies - The Audit and Risk Committee Chair observed it was agreed with the Museum Director that the Committee would delay considering HR policies until a new Head of HR had an opportunity to review them. There should also be a policy review timetable. The Audit and Risk Committee Chair will discuss with the Head of Risk and Assurance.
- 16.5 CCLA's COIF Charities Investment Fund - The Museum had an investment balance in CCLA's COIF Charities Investment Fund. There was a change of correspondent as the previous Financial Accountant had left the Museum. The forms to effect a change were signed by the chairs of the Audit and Risk Committee and Board of Trustees as required by CCLA.
- 16.6 NAO Audit Fees - NAO audit fees had remained stable for several years. However, this was no longer sustainable and as a result the fees will be increased, spreading the increase over the next three years. Members agreed the audit fees, however, the Director of Finance and Corporate Services will investigate current market rates in order to ensure the Museum was receiving value for money.

HN/JD

NG

**17. DATE OF THE NEXT MEETING**

- 17.1 The next meeting will be held at 10.00 a.m. on Thursday 2 May 2019.

**18. AUDIT COMMITTEE EFFECTIVENESS**

- 18.1 Following lunch there was an NAO facilitated session on Audit Committee effectiveness which was attended by the members and the Chair of the Board of Trustees.

**KEY TO ACTION INITIALS**

- Michael Dixon - MD  
Neil Greenwood - NG  
Hilary Newiss - HN  
Jan Day - JD  
Ian Golding - IG