THE NATURAL HISTORY MUSEUM

AT A MEETING ON

TUESDAY 1 JULY 2014

AT 9.00 A.M.

AT THE NATURAL HISTORY MUSEUM

Present

TRUSTEES
Lord Green of Hurstpierpoint (in the Chair)
Prof Sir Roy Anderson FRS FMedSci
Prof Sir John Beddington CMG FRS
Professor David Drewry
Professor Christopher Gilligan
Professor Sir John Holman
Dr Derek Langslow CBE
Dr Kim L Winser OBE

In Attendance (alphabetical order)

Frances Allen (Minutes) Executive Assistant to the Director and Secretary to the Board
Nina Barbaruk Acting Head of Development (for Items 7 and 8)
Rachael Castles Head of Internal Affairs
Sir Michael Dixon Museum Director (and Executive Board Chair)
Melissa Clifford-Turner Head of Finance
Professor Andrew Fleet Assistant Director of Science (for Items 7 and 8)
Mr Ian Henderson Chair of Estates Advisory Board Committee (for item 7)
Dr Justin Morris Head of Public Engagement (Executive Board member)
Professor Ian Owens Director of Science (Executive Board member)
Beth Stone Head of Visitor Experience, Learning and Outreach (for items 7 and 8)

Preliminary

1617 APOLOGIES FOR ABSENCE

An apology for absence was received from Neil Greenwood (Director of Finance and Corporate Services). Mr Greenwood was represented by Melissa Clifford-Turner, Head of Finance, for the discussion on the Annual Report and Accounts FY2013/14 (agenda item 6).

1618 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 14/38)

Declarations of interest and changes to the Register of Interests were made by Lord Green, Professor Gilligan, Sir John Beddington and Sir Roy Anderson and were recorded by the Secretary to the Board.

1619 MINUTES OF THE MEETING OF 13 MAY 2014 AND NOTES FROM 20 MAY 2014 MEETING

The Minutes of the meeting of the Trustees held on 13 May 2014 were confirmed as a true record and signed by the Chair. The notes from the 20 May meeting were noted.

1620 MATTERS ARISING FROM THE MEETING OF 13 MAY 2014 AND NOTES FROM 20 MAY 2014 (TP 14/39)

Funding: The discussion on future superannuation costs and pension scheme arrangements will take place in November. An interim update will be given at the Annual Trustees’ Strategy day in September.
1621 CHAIRMAN’S REPORT

The Chairman reported on three items:

(i) The Director: On behalf of the Board the Chair congratulated the Director - Sir Michael Dixon – on his knighthood award in the Queen’s Birthday Honours List. He said this honour is richly deserved and a testament to Sir Michael’s leadership of the Museum over the last ten years and also his tenure as Chair of the National Museums Directors’ Council. This award is not only a personal honour, but also recognition of the Museum as a whole.

(ii) Sub-committees of the Board of Trustees: With the retirement of four members of the Board, there were consequent vacancies to be filled on the Museum’s key committees. The Chair had approached members of the Board to fulfil these roles and the following appointments to committees were confirmed:

Audit and Risk Committee: Dr Kim Winser joins the Committee
Nominations Committee: Membership was confirmed as: Lord Green (Chair), Dr Derek Langslow and Sir John Beddington
Remuneration Committee: Membership was confirmed as: Sir John Holman, Professor David Drewry and Lord Green. A further discussion will need to take place before the next meeting in 2015 to establish who will act as Chair.
Science Advisory Council: Sir Roy Anderson will Chair the Council and is in discussion with Professor Ian Owens to take forward plans.
Digital Advisory Committee: A committee will be convened once the trustee with digital expertise has been appointed.

(iii) Board Appointments: Recent retirements from the Board have left four vacancies, two of which are Prime Ministerial appointments, one an appointment by the Secretary of State for DCMS on recommendation of the President of the Royal Society, and a co-option by the Board itself. Role specifications have been agreed with DCMS for the two Prime Ministerial Trusteeships in Digital Technologies and Law and Commerce and will be advertised shortly. The recruitment procedure follows the process laid down by the Code of Practice issued by the Office for the Commissioner of Public Appointments.

The President of the Royal Society has recommended candidates for the Royal Society nominated role and these individuals will be contacted shortly. The Board fully supported the proposal to appoint an international candidate for the co-option Trusteeship, but emphasised the importance of physical attendance at Board meetings as conference calls were not always effective. The Chair reflected that the appointee had to engage with the Board and be emphatic about taking the work of the Board forward.

Main Items:

1622 ANNUAL REPORT AND ACCOUNTS (TP 14/40)

At its meeting on 26 June the Audit and Risk Committee had reviewed and scrutinised The Natural History Museum Annual Report and Accounts for 2013/14 to ensure compliance with Government Accounting rules for non-departmental public bodies (NDPBs) and recommended that the Board of Trustees approve the consolidated accounts for the Natural History Museum. The Board of Trustees gave formal approval and signed the Annual Report and Accounts.

The Chair remarked that the worrying trend over the last few years has been cuts to grant-in-aid funding and against this financial backdrop the Museum had to recognise that the business model had to shift to one where self-generated income takes a more prominent role. Professor Gilligan observed that the level of income generated from science consultancy and the number of published scientific papers appear to have decreased. Professor Owens clarified that a downturn in income had been the result of the restructure in science, but steps were being taken to improve this by looking at potential growth areas and the recent trend was positive. The drop in published papers was due to Science adopting a different strategy for recording KPI data - shifting from publishing a high number of papers to focussing efforts on publishing in high impact journals. He hoped that the revised Science expectations framework together with a robust appraisal process will coalesce to help put performance back on track.

1623 CAPITAL PLANNING – PART ONE

The discussion on capital planning was divided into three main interconnected elements:

1. Collections Storage Infrastructure Programme (CSIP)
2. Public Space Plan
3. Fundraising
The Board welcomed Mr Ian Henderson, Professor Andrew Fleet, Beth Stone and Nina Barbaruk who joined the meeting for this item.

**Collections Storage Infrastructure Programme:** (TP 14/41)

Professor Owens explained that housing collections in suitable physical, environmental and secure conditions is a fundamental element of the Museum’s statutory responsibility to protect and make accessible its collection. In fulfilling the ambition of continuous improvement, the Collections Storage Infrastructure Programme (CSIP) was established in 2009 to review the physical and environmental conditions under which the Museum’s collections are held and to develop a long-term collections storage strategy to meet the Museum’s strategic objectives with respect to the collection storage strand of its master plan.

A review had found that a number of collections storage spaces did not meet the appropriate environmental standard causing ongoing collection damage and deterioration. This was particularly true for some palaeontology collections, which are deteriorating due to a combination of the oxidation of pyrite-containing specimens and fluctuating environmental conditions in the Palaeontology Building. Based on the findings, two feasibility studies were commissioned in 2012 (producing RIBA Stage A and B reports), to help inform a long-term collections storage strategy for the Palaeontology collections and all other collections held outside the Darwin Centre. The studies helped pave a way forward by informing a programme divided into three sections:

1. An Earth and Planetary Sciences Centre that encompasses the palaeontology building, the palaeontology collection and other Earth Science collections at South Kensington;
2. The Life Science Collections that includes all life sciences collections outside the Darwin Centre at South Kensington, Wandsworth and Tring;
3. The Library, Archives and Art collections at South Kensington and Wandsworth

**Earth Sciences:**

The concept of the Earth and Planetary Sciences Centre (EPSC) was borne from exploring options for the refurbishment of the Palaeontology Building to improve the storage conditions of the Palaeontology collection. The EPSC would deliver on a number of levels: providing “green” conditions for the storage of the earth science collections; modern working spaces for earth scientists; a new public/schools entrance off Exhibition Road; potential for a new temporary exhibition space and dedicated entrance; and improved circulation to the Waterhouse Building.

The Stage B feasibility study, enabling a deeper exploration of options, had established a full refurbishment (Option A) as the preferred route. Although more costly, this option represented best value as it achieves “green” storage and an extended building life of 25-30 years (in terms of M&E and the façade). The Board supported this proposal and approved the proposal to progress planning to RIBA Stage 2 (concept design) to inform a strategic approach for the way forward and to also and to interrogate costs more fully.

Pending a final solution, Professor Owens reassured the Board that steps are being taken to arrest further damage to the collection by placing vulnerable specimens in enclosures (bags) thus creating an anaerobic environment to reduce deterioration by oxidisation (it was recognised that his process is very labour intensive). This, and other collections at risk, would be stabilised, digitised and prepared for transfer when the EPSC is developed.

**Life Sciences:**

The CSIP review also identified vulnerable life sciences collections that need to be re-stored to provide improved storage conditions and to also vacate areas that could otherwise be released for public use. The Stage A study had proposed a number of options but, in light of the growing life sciences collections, none of these provided a long-term solution. It was agreed that offsite storage should be pursued as a possible solution.

The most favoured model for offsite storage is an integrated facility (a single offsite facility) within or close to the M25 providing quick access to the collection. This model is based on that employed by the Smithsonian and is also being developed by a series of European national museums. Ideally this will be a shared facility with other collections-based organisations in order to improve efficiency, its fundability and make it more politically attractive and in this context discussions have taken place with prospective partners.

**Library:**

It is proposed that a consolidated central library will be established at South Kensington and all modern collections (i.e. post 1850) moved to an offsite facility. The Board noted that some of the modern collection material is supplied electronically, but the majority is likely to require physical storage for the foreseeable future. In this context, Professor Owens will develop a model for offsite storage and will take forward with potential partner organisations.
Mr Ian Henderson congratulated the Executive in its progressive approach and believed that buildability was a key factor in taking forward the EPSC proposal. He suggested there may be some merit in bringing together the external consultants working on the three projects to examine the interdependencies and consider how these will work together in practice. The Board noted that Project Manager, Malcolm Reading Associates, will work with the Museum to formulate a stakeholder management plan. Finally, Mr Henderson offered the expertise of the Estates and Building Advisory Committee to help deliver the Museum’s vision.

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<td>Trustees endorsed the action plan and supported the proposal to progress planning for the ESPC to RIBA Stage 2 and made the recommendation that the cost of a short-term specimen remediation methodology be built into the Stage 2 study. This will be revisited again at the Annual Trustees’ Strategy Day in September.</td>
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1624 CAPITAL PLANNING – PART TWO

Public Space Plan: (TP 14/42)

Dr Justin Morris, Director of Public Engagement, presented the Public Space Plan, which provides a clear framework for the development of the public space over the next 25 years and is underpinned by a set of Development Principles (a component of the Masterplan Development Framework). The plan presents a holistic view of how the public and commercial endeavours will integrate over this 25-year timeframe and provides the flexibility to respond to funding opportunities. The Executive accepted Sir John Beddington’s strong concern about changes to the Mammal Gallery and using the space to house a permanent exhibition and acknowledged managing public expectations should be a consideration.

It is anticipated that the development of the Plan will result in a far more coherent intellectual and visitor experience in a public space with the objective to grow the public footprint from 26,000m² to 35,000m². The combination of this increased space, new circulation routes and the strategic location of galleries will maximise visitor capacity at any one time, ease congestion in the Central Hall and reduce queuing time. New displays and exhibitions on the first and second balconies above the Central Hall will further encourage vertical navigation and help to alleviate traffic in the Central Hall.

Dr Morris welcomed the suggestions for ways to enhance the visitor experience by providing more opportunities to shop and engage in social media activities at each stage of the customer journey and will include these ideas in the work already being undertaken by the commercial team in this area.

Fundraising:

Nina Barbaruk, Acting Head of Development, explained that since the delivery of Darwin Centre 2 the Museum has focussed on fundraising for a small number of key projects such as the Central Hall, Images of Nature, Molecular Labs and the Treasures Gallery. To deliver the transformational funding needed to realise the Museum’s ambition over the next decade, the Museum now needs to develop a long-term strategic fundraising plan to give Development Department the focus needed to grow fundraising income.

The Museum has successfully delivered big capital projects in the past and Ms Barbaruk felt confident that with appropriate investment in the Development Department and clear funding propositions the conditions are now right to develop an ambitious fundraising plan. However, this will not be realised without increased investment in Development as well as engaging the help of Trustees, the NHM Development Trust and the Executive in unlocking relationships with prospective funders.

Offering a portfolio of fundraising opportunity will enable the Museum to attract and engage a broader audience of donors interested in funding capital, science and education projects, including the Earth and Planetary Sciences Centre, which is an attractive funding opportunity for prospective and existing donors.

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<td>The Board of Trustees supported the proposal to develop a fundraising strategy that delivers the transformational funding needed to realise the Museum’s ambition over the next ten years.</td>
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1625 ANNUAL TRUSTEES’ STRATEGY DAY – DRAFT AGENDA ITEMS (TP 14/43)

The outline agenda was agreed.
1626 AUDIT & ASSURANCE

(i) Report of the meeting held on 26 June 2014:

Dr Derek Langslow, as Chair of the Audit & Risk Committee, reported on the following items from the meeting held on 26 June 2014 highlighting the following items:

Corporate Risks: The two corporate risks discussed at the meeting related to income generation and branding.

A closed session had been held to review the effectiveness of processes adopted by the Audit and Risk Office, which concluded that the processes are acceptable and continue to improve.

(ii) Audit & Risk Committee: Annual Report 2013/14: The Board noted that the Audit Opinion believed that the internal audit services in the Museum are appropriately positioned and of the necessary quality. The auditor’s conclusion was that the Head of Risk & Assurance had been able to provide a comprehensive annual assurance to the Committee and were satisfied with the quality, professionalism and thoroughness of internal audit work during the year.

Dr Langslow drew attention to the DCMS proposals to implement a shared Internal Audit Services. The Board and Director were adamant in their belief that the NHM must retain its own internal audit facility in order to be in a position where it has control over the scale and direction of internal audit.

Dr Langslow expressed his thanks to the former Chair of the Audit and Risk Committee, Sir David Omand, Professor Sir Roy Anderson and Jan Day for their support to the Audit and Risk Committee and also to Mr Mark Richardson (co-opted member) for providing accounting advice.

1627 MUSEUM REPORT (TP 14/45)

Investors in People accreditation: The Director gave an update on the Investors in People accreditation exercise. An external assessor had worked with our newly trained internal assessors in May to assess the NHM against 39 indicators for the IIP standard. It was with great disappointment that against three indicators the NHM was not able to show enough evidence that it met the requirements. The three indicators were all in the area of learning and development of staff. The NHM has twelve months to address this and an action plan has been constructed to ensure that we can provide the requisite information by this time next year. The action plan has been presented to the Museum’s Senior Management Team (effectively the direct reports of the Executive Board) and is owned by Organisational Development.

Brand development: The Museum had engaged external expertise to help the NHM create a more coherent and consistent brand that communicates to the Museum’s key stakeholders and ultimately support the delivery of the Museum Strategy. This is essential if the Museum is to achieve its ambition of generating significantly higher levels of self-generated income from external sources. This work is currently important in informing an overdue redesign of our website, but is also fundamental to how the NHM positions itself and communicates to external audiences, especially those who support us financially.

1628 NHM Q1 FY2014/15 Data Summary (TP 14/46)

The Board of Trustees noted the contents of the report.

1629 NHM Q1 FY2014/15 Activity Summary (TP 14/47)

The Board of Trustees noted the contents of the report.

1630 Financial Review for the period April-May FY2014/15 (TP 14/48)

The Board of Trustees noted the contents of the report.

1631 CORPORATE SERVICES GROUP

(i) Health and Safety Report for April-May FY2014/15: (TP 14/49):

The Board of Trustees noted the two Riddors (HSE reportable incidents) that occurred during the period and the actions taken as a result.
(ii) Estates and Buildings Advisory Committee: Minutes from 28 April Meeting: (TP 14/50)

The Board of Trustees noted the contents of the report.

1632 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 14/51)

The rolling agenda for future meetings was noted.

1633 EVENTS DIARY (TP 14/52)

The Board of Trustees noted the contents of the report.

1634 DATES OF NEXT MEETINGS

2014:

- 30 September 2014 (Annual Trustee Strategy Day, Chelsea Physic Garden
- 18 November 2014 (PM: Science Session)
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2015:

- 24 February 2015
- 29 April - Annual Trustees' Dinner
- 19 May 2015 (PM: Science Session)
- 30 June 2015
- 22 September – Annual Trustees' Strategy Day
- 17 November (PM: Science Session)

1635 ANY OTHER BUSINESS

None.

[Signature]