

THE NATURAL HISTORY MUSEUM

AT A MEETING ON

TUESDAY 17 MAY 2016

AT 09.00 A.M.

AT THE NATURAL HISTORY MUSEUM

Present

TRUSTEES

Lord Green of Hurstpierpoint (in the Chair)
Professor Sir John Beddington CMG FRS
Dame Frances Cairncross DBE FRSE
Professor Christopher Gilligan CBE
Professor Sir John Holman
Anand Mahindra (joined part of the meeting by phone)
Hilary Newiss
Simon Patterson
Professor Robert Stephen John Sparks FRS CBE
Professor Dame Janet Thornton DBE FRS FMedSci
Dr Kim L Winser OBE

In Attendance (alphabetical order)

Frances Allen (Minutes)	Executive Assistant to the Director and Secretary to the Board
Alex Burch	Head of Visitor Experience, Learning and Outreach (for item 10)
Rachael Castles	Head of Internal Affairs
Sir Michael Dixon	Museum Director (and Executive Board Chair)
Neil Greenwood	Director of Finance and Corporate Services (Executive Board member)
Chris Hills	Head of Human Resources (for item 10)
Andrew Hind	Compass Partnership (observer)
Dr Sarah Long	Museum Registrar (for item 9)
Fiona McWilliams	Director of Development Group (Executive Board member)
Dr Justin Morris	Director of Public Engagement (Executive Board member)
Katrina Nilsson	Head of National Public Programmes (for item 10)
Professor Ian Owens	Director of Science (Executive Board member)

Preliminary

1780 APOLOGIES FOR ABSENCE

Apologies were received from Mr Robert Noel.

1781 DECLARATIONS OF INTEREST AND REGISTER OF INTERESTS (TP 16/17)

Declarations of interest and changes to the Register of Interests were made by Sir John Beddington, Prof Christopher Gilligan and Mr Simon Patterson and were recorded by the Secretary.

1782 MINUTES OF THE MEETING OF 23 FEBRUARY 2016

Amendments to the minutes of the meeting of the Trustees held on 23 February 2016 were suggested, which will be incorporated by the Secretary before publication.

1783 MATTERS ARISING FROM THE MEETING OF 23 FEBRUARY 2016 (TP 16/18)

Trustees noted the progress which had been made on items raised at the last meeting. All matters arising are covered in the agenda.

1784 CHAIRMAN'S REPORT

Board Appointments: The Chair was pleased to announce that the Prime Minister had appointed to the Board Dame Janet Thornton DBE FRS FMedSci and Mr Robert Noel who will both serve an initial four-year term. Dame Janet was appointed on 31 March 2016 as a Science Trustee and Mr Robert Noel joined the Board on 25 April 2016 as a Property Management Trustee.

Dame Janet is a world renowned scientific leader whose early career was rooted in structural biology and is widely credited, alongside others, with the establishment of a new scientific field of Bioinformatics. Dame Janet was formerly the Director of EMBL's European Bioinformatics Institute in Hinxton, Cambridge (2001-2015) and since July 2015 she has led a research group at EMBL-EBI focussing on the area of protein structure, function and evolution.

Mr Noel is the Chief Executive Officer of Land Securities Group PLC and is a Trustee and Director of LandAid, the property industry charity, and is a member of both the Prime Minister's Business Advisory Group and the Policy Committee of the British Property Federation.

The Chair welcomed Dame Janet and Dame Frances Cairncross (whose co-option to the Board had been confirmed at the February meeting) to their first meeting. Dame Frances is a respected journalist and economist. She was the former Rector of Exeter College Oxford (from 2004-2014) and is currently the Chair of the Court of Heriot-Watt University. More recently Dame Frances chaired the executive committee of the Institute for Fiscal Studies and from October 2015-April 2016 and also acted as interim Director of the National Institute for Economic and Social Research.

1785 DIRECTOR'S REPORT (TP 16/19)

The Director highlighted the following items:

Museum attendance: The Museum has continued to see lower visitor numbers than in the equivalent period last year following the terrorist attacks in Europe and statistical comparisons with our peer institutions suggest that this is a sector-wide trend. Attention was drawn to the appended table charting attendance trends over the last decade and it was noted that NHM experienced a similar fall in attendance following the London bombings in 2005.

The reduction in visitor numbers has had a fluctuating effect on income-generating activities, with some business units enjoying an increase in revenue whilst others have felt the brunt of the shortfall in attendance. Although this downward trend is disappointing, further opportunities to invest in driving up footfall (and diversity) will emerge once the revitalised Hintze Hall has been delivered in 2017. *Dippy on tour* will also help to raise the profile and visibility of the NHM and presents the opportunity to develop a programme that engages a wide range of audiences across the whole of the UK.

The Board welcomed the strategic approach for long-term success and hoped that the decline in visitor numbers was a short-term issue.

International activities: The Board welcomed Mr Anand Mahindra, who joined the meeting by conference call. The Director provided an update on the Museum's international initiatives and highlighted the following:

India: The Chair, Director and Head of International Engagement had recently made a brief visit to India to explore collaborative opportunities. The Director was saddened, however, to report that one of the venues visited in Delhi – the National Museum of Natural History – had suffered a serious fire, which had destroyed the majority of exhibits, collections and records. The NHM has a long history of involvement with Indian natural history and, in this spirit, the Director contacted local government ministers in India, as well as the Director of the Museum, to offer support in salvaging the collection and to bring about a plan for delivering a new museum. The Chair will restate the Museum's offer by sending another letter of support (to be hand delivered) and Mr Mahindra will seek a meeting with the relevant government ministers in India with the same intent.

Whilst the Board supported this action, it should be recognised that the Museum has limited capacity (both financial and staff) to commit to such an endeavour and, in the context of other priorities, care should be taken not to increase the burden already placed upon Museum resources. Mr Mahindra felt that this could be avoided by seeking local funding, which may be available for such a project of national importance. Support could be offered via the NHM training local academics/scientists who could then underpin any further restoration work.

The Director commented on other international initiatives and fully acknowledged that not all aspirations will be achievable in the short-term, but the ethos is about building the foundations for long-term relationships in selected territories to extend the NHM's positioning and brand.

SUMMARY:	ACTION
The Director will circulate his report from the visit to India, which will be discussed at the July meeting of the Board.	MD

Global NHM Leaders' meeting, New York, 9-10 May: The Director reported on the recent Global NHM Leaders' Meeting, which he attended with Ian Owens (Director of Science). The consortium, comprising of twelve major natural history museums (six European and six North American), meets twice a year and the current major project is the development of the *Collections Dashboard*. This matrix will serve to highlight the strengths of the collections held in each institution and identify any gaps so as to enable strategic consideration of what collections need to be focused on for the future. The aim is to also develop an extended set of institutions to include in the collection from other geopolitical regions.

SUMMARY:	ACTION
The Director and Prof Ian Owens will provide a strategic update at the Annual Trustees' Strategy Day in September and submit a more in-depth paper detailing the institutions' comparative data at the November meeting of the Board.	MD/IO

Process of reorganisation: The Museum intends to undergo an organisational change programme to meet three specific objectives to (a) deliver the aspirations of the *Strategy to 2020*; (b) support and maximise income-generating activities and (c) achieve annualised savings by the end of 2017/18 to protect levels of operating surplus and ongoing investment in capital projects. As part of these changes, three key new senior appointments will be made: Head of Strategic Communications; Head of Digital Media and Marketing and Head of Major Projects.

The Chair reflected that this is profound change to the resource structure of the organisation, but is an essential step to deliver the goals of the *Strategy to 2020*.

1786 Q4 2015/16 Performance and Finance report (TP 16/20)

Q4 Performance Report:

The Board noted the contents of the report and made recommendations for the future presentation.

Financial Review for the period April 2015 – March 2016:

Mr Neil Greenwood (Director of Finance and Corporate Services) presented a financial review for the period April 2015 to March 2016. The General Fund is in line with the previous forecast made at the end of December and hence in line with the figure used to underpin the budget for 2015/16. The operating surplus shows a slight increase to a previous forecast

1787 Science Advisory Board – 4 April meeting (TP 16/21)

Prof Stephen Sparks provided an update on the discussions held at the meeting held on 4 April. Of particular interest was the creation of a Global Challenges Research Fund and the ESFRI Roadmap programme. Internal discussions are taking place as to how to take forward projects for funding and in the latter case the SAB strongly advised directing the case for support to a single Government department. In this context, the Director will liaise with the relevant Government department.

1788 Commercial Advisory Board – 26 April meeting

Dr Kim Winser reported on the inaugural meeting of the Commercial Advisory Board, which advises on the development and implementation of commercial activities for the NHM. The initial meeting covered an introduction to each of our major commercial businesses. Dr Winser's fellow Trustees on the Board are Mr Simon Patterson and Ms Hilary Newiss.

1789 Annual Trustees' Dinner – 26 May 2016

Ms Fiona McWilliams (Director of Development) provided an update on arrangements for the Annual Trustees' Dinner. The Museum is honoured to have as its special guest speaker Dr Sylvia Earle – an acclaimed oceanographer, explorer and author and named as Time Magazine's first *Hero for the Planet*.

1790 NHM Senior Volunteer Groups – update and recommended appointment process (TP 16/22)

Ms Fiona McWilliams outlined a proposal for establishing a NHM Senior Volunteers Group, whose role will be to build effective communities of external supporters for the organisation. She explained that to address the challenge of significantly growing income, through philanthropy and corporate partnerships, there is a need to increase the NHM donor pipeline and one of the ways to engineer this is to create groups of active senior volunteers.

SUMMARY:

The Board endorsed the principles of selection criteria, appointment process and terms of reference for the NHM Senior Volunteer Groups.

1791 Life Sciences offsite collections storage – status update (TP 16/23)

Prof Ian Owens provided an update on progress since the February meeting of the Board. The Board supported the recommendations and Prof Owens will provide an update at the July meeting.

The minute has been redacted from the published minutes under Section 43: Commercial Interests under the Freedom of Information Act.

1792 Archaeopteryx – Treasures loan (TP 16/24)

Dr Sarah Long (Museum Registrar) was asked by the Board to undertake an assessment of the risk posed by earthquakes during the proposed loan of *Archaeopteryx* to the two venues in Japan. The paper concluded that the risk can be appropriately managed during the loan period through a number of mitigation steps and through contractual obligations specific to seismic activity.

SUMMARY:

The Board thanked Dr Long for her work in providing this reassurance and so was happy to endorse the loan.

1793 Grounds Transformation Programme – Progress Report (TP 16/25)

Following the final pre-application meeting in April, Dr Justin Morris (Director of Public Engagement) reported that the Royal Borough of Kensington and Chelsea had confirmed its support of the Grounds Transformation Scheme stating satisfaction that the proposals have been thoroughly tested through the pre-application process. Historic England had also lent its support for the scheme in its entirety, including the proposal to demolish the Palaeontology building tower in order to fully realise the transformation. Dr Morris was pleased to report that consultation with local residents continues to be positive and supportive and an application for planning permission and listed building consent will be submitted imminently.

Main Items:

1794 GEOLOGICAL COLLECTIONS MOVE OFFSITE (TP 16/26)

Prof Ian Owens presented the proposal to relocate some geological collections offsite that are not widely used and housed in inadequate storage conditions.

The minute has been redacted from the published minutes under Section 36: Prejudice to the effective conduct of public affairs under the Freedom of Information Act.

SUMMARY:	ACTION
The Board endorsed the proposals to relocate the collection subject to heads of terms being agreed and approvals from planning authorities and DCMS. Prof Owens will resubmit to the Board once the heads of terms have been agreed. In approving the proposal, the Board stressed that this decision in no way sets a precedent, but was based purely on the uniqueness of the collection and its current inadequate storage.	IO

1795 NATIONAL STRATEGY DISCUSSION (TP 16/27)

The Board welcomed to the meeting Alex Burch (Head of Visitor Experience, Learning and Outreach and Katrina Nilsson (Head of National Public Programmes) who explained that the National Strategy seeks position the NHM “to be the leading inspiration connecting UK citizens from all backgrounds with nature and science”. It has been developed through a cross-Museum working group and in consultation with other national museums where the scope and funding avenues of similar programmes were explored. The discussion document has also been shared externally with some partner museums as well as the Arts Council for feedback.

The spirit of the Strategy is to provide a high quality national programme in partnership with others, responding to the clarion call by the Culture White Paper, Heritage Lottery Fund and the Arts Council for national institutions to work in partnership to maximise resilience in cultural institutions and the impact on audiences. One of the challenges – and indeed an aspiration of *Strategy to 2020* - is to improve inclusivity and connect audiences from lower socio-economic and ethnic backgrounds to nature, science and culture. The Strategy will seek to act as a vehicle to achieve this by forging partnerships with organisations geographically placed to reach out to these audiences. Ms Burch and Ms Nilsson will collaborate with external stakeholders (including teaching professionals) to further develop the offer to ensure that the Museum’s national activities deliver on the promise to improve inclusivity.

The Strategy is very much aligned to the Museum’s Learning Strategy and that of the Angela Marmont Centre for UK Biodiversity (AMC) and will be delivered via a number of key projects/partners, including Real World Science, Citizen Science and *Dippy on tour*. Digital activity will play an important part in connecting with audiences and it is envisaged that this platform will be exploited in innovative ways to showcase the Museum’s work to activate intelligence and enhance visibility.

An issue that became apparent during the consultation with national museums was that expertise in collections resource in the UK has diminished due to local authority cuts to civic museums, which has had a disproportionate effect on natural history collections. The Strategy calls for action to address this if we are to realise the value of these collections and turn them into a 21st Century resource for future research. Natural history collections also have the potential to inspire a new generation of scientists and to meet government agendas on STEM learning.

The reorganisation of Public Engagement will ensure that there is baseline level of resource to continue delivering at the desired level whilst working closely with the Development and Science departments to identify joint projects. The Head of Strategic Communications will assist in taking the Strategy forward.

SUMMARY:
The Board thanked Ms Burch and Ms Nilsson for the presentation and made the observation that to add impact it is important, when setting priorities (page 9), to provide clear examples rather than a set of aspirational goals. It was agreed that the National Strategy would be re-presented to the Board in November once it has been further developed and benefited from the input of the Head of Strategic Communications in defining a communications and action plan.

1796 PRIORITY PROJECTS AND DEVELOPMENT TARGETS (TP 16/28)

In November the Board had been presented with an initial fundraising project portfolio of six projects that best represented the Museum's work and ambition, together with early thinking on financial targets. The list had since been reduced to five major capital projects, reflecting intelligence gathered from major funders suggesting that the "learning" project could be attractive to major funding bodies and so was extracted from the portfolio.

The Development team had also devoted considerable time to evaluating how information is managed in order to test early assumptions and to create accurate, robust and reliable project and income data. This rigorous interrogation of historic and current data had provided more accurate information and laid the foundation for building robust datasets in the future that are fit for purpose and able to track progress with potential funding prospects. The analysis, however, had allowed the Development team to substantiate the demands of the fundraising challenge with the spotlight very much on two essential activities: (1) significantly increasing the donor prospect pool and pipeline and (2) improving donor prospect relationship-building and donor stewardship.

Mrs McWilliams outlined the methodology to realise these objectives and underscored the importance of Trustee and senior management support to achieve institutional fundraising success.

The Board thanked Ms McWilliams for the presentation and congratulated the Development team on its detailed planning.

1797 EMPLOYMENT OFFER (TP 16/29)

The Board welcomed Chris Hills (Head of Human Resources) to the meeting, who provided an update on the review of the employment offer.

This minute has been redacted from the published minutes under Section 36: Prejudice to the effective conduct of public affairs under the Freedom of Information Act.

SUMMARY:

The Board thanked Mr Hills and agreed to the following recommendations:

- a) Appoint an employee benefits specialist to assist the development of a Group Personal Pension Plan
- b) Set up a cross museum working group to review the issues outlined in the papers:
- c) Report progress to Trustees in July 2016 with a view to presenting a proposal and recommendations to Trustees in November 2016.
- d) Proceed with the pay award of 1% for implementation in August 2016
- e) Rather than appoint one member of the Board to oversee progress on the employment offer, call upon the expertise of individual members as appropriate.

AUDIT & ASSURANCE

1798 Report of the Meeting held on 5 May 2016

The Chair of the Audit & Risk Committee, Ms Hilary Newiss, provided an update on the discussions held at the meeting on 5 May 2016. The Chair of the Board of Trustees will petition a fellow member of the Board to join the Audit and Risk Committee.

1799 Annual review of gifts and hospitality (TP 16/30)

In accordance with the Governance Principles of the Natural History Museum, Trustees are expected to comply with the Museum's procedures and protocols regarding gifts and hospitality while performing their role as Trustees where the estimated value exceeds £50. The Board of Trustees is asked to note that the annual review records a nil return for the financial year 2015/16.

1800 Head of Risk & Assurance's Annual Assurance to the Accounting Officer and Audit and Risk Committee – 2015/16 (TP 16/31)

The Board of Trustees noted the contents of the report

1801 Health and Safety Annual Report 2015/16 (TP 16/32)

The Board noted the report and was assured that the Museum is operating a health and safety environment by being compliant with UK health and safety and fire safety requirements

1802 Annual Security Report 2015/16 (TP 16/33)

The Board noted the report.

1803 Major Corporate Risks 2016/17 (TP 16/34)

The Board noted the report and was content that the risks have been addressed satisfactorily.

1804 Capital Programme 2016/17 (TP 16/35)

Mr Neil Greenwood (Director of Finance and Corporate Services) was requested by the Audit and Risk Committee to present to the Board of Trustees a summary schedule of programmed capital expenditure for 2016/17 to demonstrate how the DCMS capital grant in aid allocation of £9.6m (£7.3m of which was notified in February 2016) will be utilised during the year. The schedule outlined the proposed capital spend, although it should be noted that there are some significant risks (e.g. delayed planning permission and securing funding etc) and to mitigate the risk of shortfall two significant additional items are already being mobilised. These purchases, although with a long lead time, can be installed relatively easily and potentially will reduce provisional budget allocations for future years.

The Board noted the report and emphasised that every effort should be made to ensure that the outlined schedule of expenditure is accomplished before the end of the financial year.

1805 AGENDA ITEMS FOR FUTURE BOARD MEETINGS (TP 16/36)

The rolling agenda for future meetings was noted.

1806 EVENTS DIARY (TP 16/37)

The Board of Trustees noted the contents of the report.

1807 DATES OF NEXT MEETINGS

2016:

- 26 May- Annual Trustees' Dinner
- 5 July 2016 (Evening: Annual Staff Summer Party)
- 20 September 2016 – Annual Trustees' Strategy Day
- 22 November 2016

2017:

- 21 February
- 16 May
- 27 June or 4 July (depending on "laying before Parliament" deadline)
- 19 September
- 21 November

1808 ANY OTHER BUSINESS

