

## **HISTORIC ROYAL PALACES**

### **MEETING OF THE BOARD OF TRUSTEES**

**Kensington Palace, Wednesday 18<sup>th</sup> May 2005**

**Present:**

Trustees;  
Sir Nigel Mobbs (Chairman)  
Lord Inge (Deputy Chairman) (agenda items 1 to 16)  
Bridget Cherry  
Angela Heylin  
Alan Reid  
Malcolm Reading  
Sir Roger Wheeler (agenda items 6.2 to 20)

**In attendance:**

Michael Day  
John Barnes  
Geoffrey Field  
Danny Homan  
Graham Josephs (agenda items 1 to 7)  
Alyson Lawton  
Sally O'Neill

**Apologies:**

Sir Hugh Roberts

**1. Chairman's Comments**

- 1.1** The Chairman welcomed Malcolm Reading to the Board of Trustees and reported that he had invited him to become a member of the Audit Committee. The Board agreed his appointment to this sub-committee.
- 1.2** The Chairman also reported that John Hamer had been invited to become a Trustee with the education and access portfolio.

**2. Minutes of the last meeting**

- 2.1** The minutes of the last meeting held on Wednesday 16<sup>th</sup> March were approved and would now be made available to the public but subject to any exemptions that might apply within the Freedom of Information Act

**3. Matters Arising**

- 3.1** The Deputy Chairman who was not present at the last meeting sought clarification on the previous arrangements for the use of the state apartments mentioned in 6.1, and gave his views on 10.

#### **4. The Development Council**

**4.1** Angela Heylin reported on the recent work of the Development Council and that Margaret Doyle had agreed to join the council. The Chairman had also agreed to attend meetings and to host them at his offices.

**4.2** She reported that the first Gala Dinner to raise funds for Historic Royal Palaces would be held at Kensington Palace on 11<sup>th</sup> October with a Georgian Theme. A Gala Committee would develop the arrangements. She asked Trustees for names of those who might be interested on serving on the Committee or who might take a table.

**4.3** Angela Heylin asked the Chief Executive to look at how interdepartmental relationships might be improved to deliver these events more effectively.

#### **5. The Chief Executive's Report**

**5.1** The Board noted the contents of the Chief Executive's report, and especially:

- The text of the Annual Review would be distributed shortly for comment. The Front cover will show images taken from the opening event for Tower Hill. The Board suggested that the images should more clearly show that the Tower of London was the subject.
- After much advice, HRP would not be pursuing a further back claim for VAT.
- That the DCMS had approved the new Strategic Plan 2005-8 and that they would be producing an outline of the timetable for our contract renewal in 2008.
- He was very pleased with the two programmes of the BBC TV Series that he had seen to date. It was suggested that HRP should investigate whether the series might also be aired on BBC America.

#### **6. The Finance Director's Report**

**6.1** The Board noted the contents of the Finance Director's report on the year-end position (subject to audit) and the success of events and catering income. She also noted that the improvement compared with the last quarter's forecast also resulted from expenditure that was capitalised on the Tower Environs Scheme, VAT recovery and timing differences on projects which were not yet complete at the year-end. However there were some costs, such as maintenance at the Tower of London, which had not been managed as tightly as they should have been and she had asked for a report on this. She advised that there was still detailed work to be done and that there would be some designation of funds to cover the timing differences on projects. The Board also asked about the retail shrinkage result. In concluding the discussions, the Chief Executive advised that he felt he had been able to commit more to Conservation in the new Strategic Plan as a result of the

sounder basis of the current financial position.

- 6.2** The Finance Director briefed The Board on performance for the first six weeks of the new financial year.
- 6.3** The Board noted the contents of the Finance Director's report on the reserves policy. The Board thanked her for her excellent paper and agreed:
- The proposed free reserve level for HRP, given a realistic assessment of the risks associated with key income and expenditure streams
  - That designations be considered as appropriate where large projects span more than one financial year. For the financial year ended March 2005, this would be mainly £1.4 million for Kew and Clore projects
  - That the Reserves Policy is reviewed annually and summarised in the Trustees report in the audited Financial Statements.

## **7. The Identity Project**

- 7.1** The Board noted the contents of the Chief Executive's Report and the principles relating to HRP's visual identity, noting that as specific proposals emerged they will be consulted on informally. The Chief Executive then introduced the four team leaders involved in the recent project. The team leaders gave a presentation on the ideas that had been developed. The Chief Executive explained that he had included sufficient funds in the annual operating plan to enable these ideas to be launched or to move them forward. Individual trustees commented on the work and then as a Board congratulated the team for the quality of the ideas and for their presentation. The Chairman referred to the recent essay from the Secretary of State and noted that the ideas presented here were consistent with this theme.

## **8. The Education and Interpretation Strategy**

- 8.1** The Board noted the contents of the Conservation Director's Report. The Conservation Director explained that the principles of the identity project were being worked into the plans. The Board endorsed the mechanism for scrutiny and approval and asked for a regular update on the plans for the next few years. The Board asked about the short, medium and long term plans for Kensington Palace. The Chief Executive explained current thinking and that the project was being developed with a view to submitting a bid to the Heritage Lottery Fund during 2006.

## **9. The Ceremony of the Keys**

- 9.1** The Board noted the contents of the Governor's report. After expressing a range of views, the Board asked the Governor to consider matters in further detail.

**10. Kew**

**10.1** The Board noted the contents of the Conservation Director's report. The Conservation Director briefed the Board on recent discussions with The Royal Botanical Gardens at Kew. The Deputy Chairman asked about the timing of the major expenditure on the project. It was agreed that the Conservation and Finance Directors would prepare a separate cashflow for the Kew.

**11. The Secretary of State's Targets**

**11.1** The Board noted Historic Royal Palaces' performance against the 2004-05 targets and agreed to the proposed targets for 2005-06 and asked the Chief Executive to recommend them to the DCMS.

**12. Briefing note to Ministers**

**12.1** The Chairman introduced the report, which was included in the papers to Trustees for information. The purpose of the paper was to brief the new Minister on Historic Royal Palaces and the challenge that the organisation faces. He reported that he would be meeting the new Minister with the Chief Executive on Monday 23<sup>rd</sup> May .

**13. The Clore Learning Centre**

**13.1** The Board noted the contents of the Conservation Director's report. The Conservation Director corrected the dates shown in the report, noting that the next report to Clore Duffield would be in June and that tenders for advanced works would commence in June. It was noted that the new landscape design had transformed thinking on the wider context. There were still some aspects of the building to be worked out. Trustees asked about the extent to which Identity project work had influenced the project. The Conservation Director explained that it did not change the design but would impact on the operational aspects for the better and would be in line with the objectives of the major funder.

**14. The Tower Environs Scheme**

**14.1** The Board noted the contents of the Conservation Director's report and the current position with the final account.

**14.2** The Board noted the contents of the Governor's report on operational matters and his conclusion that the project had achieved its objectives in operational terms. The Trustees felt however that there were areas where further improvements could be made, especially the Welcome Centre. The Governor reported that the new Head of Visitor Services was looking at this. Trustees also asked about the cost effectiveness of the centre and noting the improvement in the overall results from the new shop, asked for specific information on first floor sales.

**15. The Hampton Court Palace Lead Roof Repair Proposal**

**15.1** The Board noted the contents of the proposal for the repairs to the lead roofs at Hampton Court Palace and approved the project subject to satisfactory tenders being within the project budget.

**16. The Costume Interpretation and Costume Education Contract**

**16.1** The Board noted the contents of the report and approved the new contract for costumed interpretation and costumed education programmes at Historic Royal Palaces with Past Pleasures Ltd, over three years with effect from 1<sup>st</sup> April 2005.

**17. The Annual General Meeting of Historic Royal Palaces Enterprises Ltd.(HRPE)**

**17.1** The Board of Trustees noted the report and nominated Sally O'Neill to represent their interests at the Annual General Meeting of HRPE on 24<sup>th</sup> May 2005.

**18. Any Other Business**

**18.1** The Trust and Company Secretary reported that there were seven trade packages as part of the Kew Palace work that needed to be signed as a deed. The Chairman and the Chief Executive would sign these and the seal would be applied.

**19: Next Meeting: Monday 20th June at Kensington Palace 3pm**