

HISTORIC ROYAL PALACES
MEETING OF THE BOARD OF TRUSTEES

Minutes

H M Tower of London, Wednesday 2nd February 2005

Present: Trustees:
Sir Nigel Mobbs (Chairman)
Bridget Cherry
Angela Heylin
Simon Jones
Alan Reid (agenda items 1 to 11)
Sir Roger Wheeler

In attendance: Michael Day
John Barnes
Geoffrey Field
Rod Giddins
Danny Homan
Alyson Lawton
Sally O'Neill

Apologies: Lord Inge (Deputy Chairman)
Sir Hugh Roberts
Gillian Wolfe

1. Chairman's Comments

1.1 On behalf of the Board of Trustees, the Chairman was pleased to see The Governor of the Tower of London back at work after his recent illness and congratulated him on his recent appointment as Commander of the Royal Victorian Order.

1.2 The Chairman noted that apologies had been received from Lord Inge, Sir Hugh Roberts and Gillian Wolfe.

1.3 The Chairman reported on the process for appointment of 2 replacement Trustees which is now underway with the DCMS and in particular the recent sift meeting to develop the shortlist. Candidates will be interviewed at the beginning of March.

2. Minutes of the last meeting

2.1 The minutes of the meeting held on Wednesday 24th November 2004 were approved.

3. Matters arising

3.1 Matters arising are covered in specific agenda items.

4. Development Council

4.1 Angela Heylin reported the recent work of the Development Council. A meeting attended by all members had taken place at the Tower of London on 18th January. In particular:

- The Council would benefit from 3 further members and the names of potential candidates whom she was planning to approach were advised to Trustees.
- There were 3 big capital campaigns: Kew, The Clore Learning Centre and Kensington Palace and it was intended to have a member of the Development Council championing each project.
- The improved Corporate Membership scheme has now been re-launched, and she appealed for names who might be approached to be Corporate Members.
- There would be the first Charity Gala night at the Orangery, Kensington Palace on July 5th.
- There was an intention to form group similar to the Development Council in The United States.
- The Duke of Gloucester as Patron of Kew had agreed to attend a joint fundraising dinner in Dallas, an opportunity that had arisen as a direct result of the recent Historic Royal Palaces visit to America.

5. The Chief Executive's Report

5.1 The Board noted the contents of the Chief Executive's report and within general discussions that,

- The Long Water Avenue Restoration Project had been runner-up in the Heritage in Britain Awards. The Board asked that their congratulations be conveyed to the team responsible.
- The Key Performance Indicators for 2004/5 for Visitor Satisfaction were above target and satisfactory overall.
- The Board sought further information on other matters.

6. The Finance Director's Report

6.1 The Board noted the Finance Director's report of performance and the revised Quarter 3 forecast. With regard to Retail performance, The Chief Executive explained that although in the past, retail had outperformed its sales targets, this had not been the case for some 18 months and that a number of changes had been made this year to improve the accuracy of forecasting and performance in this area.

7. External Market Forecasts

- 7.1** The Marketing Director gave a presentation on the results of a project by the Future Foundation with regard to trends in visitor numbers and income. The Chairman noted that the information would be very useful in discussions with the DCMS. The Chief Executive advised that as this work had only just been received, the conclusions had yet to be examined in full and the implications built into the Strategic Plan.

8. HRP's New Strategy for 2005-08: Progress Report

- 8.1** The Board noted the contents of the Chief Executive's report. Since the report had been written, the Chief Executive had met most of the Trustees to discuss the draft Cause statement. In summary he reported that the view was that the overall approach and principles were right for HRP but some further work was needed on some of the language, and images associated with the visual presentation. He therefore suggested that he would produce a further draft for inclusion in the final draft of the Strategic Plan and in the meantime would also take soundings from a few people outside the organisation. The Chairman suggested that it might be useful to have Robert Jones of Wolff Olins at the next meeting.

- 8.2** The Board of Trustees considered the financial assumptions that would underpin the Strategic Plan, which were explained by the Finance Director. Since this report had been written, a reduction in cost for the Military Guard had been achieved. The Board agreed the assumptions with this change. The Chief Executive noted that it was the aim to start and end the year with a minimum £2million Free Reserves and to make planned progress on both the Kew and Clore Learning Centre Projects.

9. Charging for the Gardens at Hampton Court Palace

- 9.1** The Board noted the contents of the Palaces Director's report. He briefed Trustees on questions raised by the DCMS and his proposed response. The Board approved proposals to continue to levy a separate charge for entry to the formal gardens at Hampton Court Palace for the future.

10. Home Park

- 10.1** Trustees commented on the contents of the paper noting that the primary concern was the likely impact on Home Park. The Board approved the event in principle and agreed that the Palaces Director should pursue the proposal and asked to be kept informed. If there was any material departure from the assumptions set out in the paper, the Palaces Director was asked to seek Trustees views.

11. Pensions

- 11.1** The Board authorised the Chief Executive to approve the proposed contribution rate by 7th February and to come into effect from April 2005.
- 11.2** The Finance Director was asked whether she felt there might be a conflict of interest between her two roles; as Finance Director advising Trustees about the contribution rate and as an employer nominated member of the Pension Trustees. She was fully aware of the potential conflict and would keep this under review.

12. The Clore Learning Centre

- 12.1** The Board noted the Conservation Director's report. He reported that the project itself was going well but was complicated in the area beyond the project with a series of associated projects such as staff relocation and car access. He was encouraged to look at other measures to improve the car park drainage problems whilst the contractors for the Clore Centre were on site. However, it was also noted that the other financial commitments in 2005/6 may not make these additional measures affordable. The Chairman asked when the final commitment to proceed this year would be taken. The Conservation Director confirmed that the main contract would commence in September 2005.

13. The Tower Environs Scheme

- 13.1** The Board noted the contents of the Conservation Directors' report. He briefed Trustees on progress on the outstanding work and the risk table and concerns were raised about the lighting on Tower Hill. The Conservation Director intended to start discussions with Wallis on the Final Account. The Finance Director noted that it would be useful to have clarity for the year-end position.
- 13.2** Trustees asked the Governor to provide them with a report on how the whole Tower Environs Scheme works from an operational perspective, now that the project is completed.

14. Kew Palace

- 14.1** The Board noted the contents of the report. The Conservation Director confirmed that work would start in earnest on site on 7th March. Schedule Monument Clearance was expected imminently subject to English Heritage deciding not to take the lift proposals to the London Advisory Committee.

15. The Freedom of Information Act

- 15.1** The Board noted the contents of the report. After discussion, the Board agreed that the minutes of this meeting and all future meetings of the Board of Trustees should be made available to the public, following their formal approval at the next meeting but subject to any exemptions that might apply within the Act.

16. Any Other Business

- 16.1** The Board approved the use of the seal on a lease for retail space at the British and London Visitor Centre.

17. Next Meeting

- 17.1** The next Meeting will be held at Hampton Court Palace on Wednesday 16th March 2005.