

**HISTORIC ROYAL PALACES
MEETING OF THE BOARD OF TRUSTEES**

**Royal United Services Institution, Whitehall, Monday 23rd June 2008
Minutes**

Present: Charles Mackay (Chairman)
Sir Alan Reid (Deputy Chairman)
Dawn Austwick
Bridget Cherry
Sue Farr
Sir Roger Wheeler
John Hamer
Sir Trevor McDonald
Malcolm Reading

Apologies Sir Adrian Montague
Sir Hugh Roberts

In attendance: Michael Day - Chief Executive
John Barnes - Conservation and Learning Director
Sally O'Neill - Finance Director
Alyson Lawton - Trust and Company Secretary
Julian Whitehead - Security Advisor (for item 1 to 6)
Mark Beaumont - Health, Safety and Environmental Advisor
(for item 1 to 6)
Jane McKeown - Head of Financial Accounting
Sajid Rafiq - The National Audit Office
Danny Homan - Communications and Development Director
(from item 7 onwards)

1. Chairman's comments

1.1 The Chairman noted that formal apologies had been received from Sir Adrian Montague and Sir Hugh Roberts. The main purpose of this meeting was to sign off the Annual Review and Financial Statements.

2. The Audit Committee held on 10th June 2008

2.1 The Board noted the contents of the detailed minutes. The Chairman of the Audit Committee explained that the main issue related to the new approach to recommendations arising from Internal Audit reports. Whereas previously a detailed list of 'agreed actions' from each report had been produced, members of the committee felt that the new system in which a short list of key actions and separate list of other matters arising had led them to feel they understood less of the underlying detail. They had asked the Chief Executive to consider whether the balance was appropriate.

3. The Risk Register

3.1 The Board noted the contents of the report. Since the report had been written, the Executive Board had discussed the top level summary and produced a revised commentary. The key amendments were discussed. The risk relating to the re-authorisation of the contract with DCMS (3.2) could now be removed following the re-authorisation reported at the last Trustees' meeting. The Executive Board also felt that risk 5.1; *Failure of the strategic plan to work at all levels* had moved from amber to green. Whilst this did not signify strong optimism about the current economic climate, it indicated that plans were currently on track. The Chairman asked about risk of fraud. The Security Advisor noted that whilst the few incidents were appropriately dealt with, we were not complacent about this risk and additional measures were being put in place.

4. **The Revised Health, Safety and Environment Policy Statement**

4.1 The Board noted the contents of the Health, Safety and Environmental Advisor's Report. He explained the two changes to the earlier statement endorsed by Trustees in 2004. These were needed to;

- Include the new Environmental Strategy
- Simplify the language

The Board asked him about further opportunities to save water. Our priorities for environmental improvements were those with the most impact and those which were cost neutral. Sue Farr asked whether HRP could state its carbon footprint. Our direct carbon footprint would be quantified this year. She also suggested that the statement should be amended to apply to ourselves and to our contractors' staff. The Board approved the revised policy statement.

5. **The Annual Health, Safety and Environmental Report.**

5.1 The Board noted the contents of the report and asked the Health, Safety and Environmental Advisor about the detail. He confirmed that he received the management support he needed. The Board asked about claims and noted that although not unduly high for a heritage site, whether any further safety improvements could be implemented or actions taken to mitigate them. The Conservation and Learning Director explained what had been done since the last report. The Board thanked the advisor and approved the report, which would now be forwarded to DCMS.

6. **The Annual Security Report**

6.1 The Board noted the contents of the report and asked the Security Advisor about the detail. The Board approved the Annual Security Report and asked for it to be forwarded to DCMS. The Board thanked the advisor for this thorough report.

7. **The Trustees' and Directors' Register of Interests**

7.1 The Board noted the contents of the report and agreed to update the Trust and Company Secretary with any changes.

8. **The Report from the National Audit Office**

8.1 The Board noted the content of the report. Sajid Rafiq noted that there had been three medium level issues arising from the audit. None of these were of substantial concern. He noted that the team at Historic Royal Palaces had been good to work with. Similarly the Finance Director also felt that her team had worked well with the National Audit Office team.

9. **The Financial Statements**

9.1 The Board approved the Financial Statements and thanked Sally O'Neill, Jane McKeown and the rest of the Finance team for their work in their preparation.

10. **The Annual Review**

10.1 The Board noted the contents of the Review and approved it with thanks to those involved. Danny Homan thanked Sue Farr for working with the team and providing a Trustees' perspective.

11. **Any other business**

11.1 **Base Court Project - Henry's Arena**

11.1.1 The Conservation and Learning Director distributed a report on the current position. Since the May Trustees' meeting, the costs had become clearer and were higher than expected due to electrical cabling and archaeology. The palace-wide sub main requirement was planned to take place over a number of years. However, whilst it made sense to bring forward work on installing cable ducts during the resurfacing project, it was not necessary to install the cables themselves.. This would save the associated archaeology and the work outside Base Court. Trustees approved after debate the revised total amount and that work on the cabling should be accounted for separately and funded from within the current planned maintenance budget.

12. **Next meeting** : Wednesday 25th July at Hampton Court Palace