

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

**Kew Gardens, Tuesday 15th May 2007
Minutes**

Present: Charles Mackay (Chairman)
Sir Alan Reid (Deputy Chairman) (until item 11)
Dawn Austwick
Bridget Cherry
Sue Farr
John Hamer
Malcolm Reading
Sir Hugh Roberts (until item 11)
Sir Roger Wheeler

Apologies: Sir Trevor McDonald

In attendance: Michael Day - Chief Executive
John Barnes - Conservation and Learning Director
Annabelle Boyes - Retail Director
Keith Cima - Resident Governor
Rod Giddins - Palaces Group Director
Sally O'Neill - Finance Director
Alyson Lawton - Trust and Company Secretary

1. Opening Business

1.1 Chairman's matters

The Chairman formally welcomed Dawn Austwick and Sue Farr as newly appointed Trustees to the Board. Sir Trevor McDonald was unable to attend the meeting. He explained how Trustees had agreed that business would be conducted at Board Meetings. The Agenda was re-ordered to accommodate those Trustees who had to leave early.

1.2 Minutes of the Last Meeting

The minutes of the last meeting held on 14th March 2007 were approved with the following amendment :

P2.1 "*knowledge transfer*" should be replaced by "*staff to publish papers*".

1.3 Matters Arising:

- Malcolm Reading asked about the next report on the Clore Learning Centre. The Conservation and Learning Director explained that he was very close to finalising the position and would definitely report at the next meeting; in the meantime he would update Malcolm Reading on progress.
- Malcolm Reading also noted that discussions referred to in the November minutes on the Beauchamp Tower had taken place but not in relation to approaches on other projects to produce greater efficiencies. He would have more general discussions with John Barnes.
- Bridget Cherry asked the Chief Executive to thank Terry Gough, Head of Gardens and Estates for hosting the Trustees' visits to the grounds at Hampton Court. She felt it was a worthwhile exercise and that Trustees were now more aware of the potential of the gardens.

2. The Audit Committee

The Board received the minutes of the Audit Committee meeting on 22nd March 2007 and noted that the internal audit reports on governance and on reputation had been included in the board papers for information. Sir Alan Reid as Chairman of the Audit Committee outlined the key matters in the minutes. He also explained the proposed amendments to the terms of reference for the Audit Committee. The Board approved the revised terms of reference.

3. **Strategic Development : Transform the way that visitors explore their story.**

- 3.1 The Board noted the contents of the paper. The Palaces Group Director briefed the Board on the key messages in the paper. The proposals sit alongside storytelling and interpreting the buildings and their settings to provide a unique experience for visitors. The Chairman noted that current visitor satisfaction results were good. Therefore, the challenge was how to improve from this. Trustees were invited to respond to the following questions:

What do you think about our current work? What do you think about the proposed priorities?

The Board asked about the outcome of pilot projects such as “kids go free” and benchmarking with other organisations. Malcolm Reading asked about visitors’ interest in the buildings and their conservation, The Conservation and Learning Director explained that research had shown that generally people were interested in conservation only as an add on. Until recently, the Palaces had been largely art historic visits and we would not lose this but were aiming to balance this with the stories of what happened in them. Bridget Cherry noted that people find out about history and society through a sense of place and that it was important to relate the physical fabric and contents of the building to the events. The Chairman felt that Kew was a good example of where the issue of telling visitors about conservation had been done well. The Chief Executive noted that the philosophies in this report were very much the driving force in how we presented Kew and that this indicated the major direction for the future. Sir Alan Reid felt that there was now greater clarity on what is being conveyed to the visitor and supported the need for balance. He also commented on the new uniforms. The Palaces Director explained the process and involvement of staff in their development. It was agreed that those Trustees, who wished to, should give their view on the new uniforms to the Chief Executive. Trustees also gave their views on signage and felt that more should be done explaining large projects and also as visitors emerge from public transport and before they get to the Palaces.

Would Trustees like to be more involved in this part of our work?

The Chairman noted that there were particular trustees with specialist skills who might help in this area. After discussion, it was agreed that any trustees who would like to get involved should contact the Chief Executive.

4. **Kensington Palace**

- 4.1 The Board noted the contents of the report which was an update on progress. Malcolm Reading asked whether the team had looked at a 2 year option to reduce the risk. The Conservation and Learning Director confirmed that the team had looked at this with Gardiner and Theobald. Dawn Austwick cautioned that reputation risk was an important consideration in partial closure. It was agreed that the Trustees Advisory Group would review the work.

The Board agreed that funding the partial closure period was part of the total cost of the project to Historic Royal Palaces but that the grant sought from the HLF should be for £9 million (half the capital cost of £18 million). Sue Farr and Dawn Austwick made comments on visitor assumptions in the business plan. The Conservation and Learning Director also explained recent developments regarding the selection of an architect.

5. **The Tower Club**

- 5.1 The Board noted the contents of the report and agreed to the proposals for changes to the operation of the Tower Club.

6. **The Setting of the Tower of London**

The Board noted the contents of the report. The Conservation and Learning Director explained the potential solutions that had emerged on the outstanding matters relating to the statutory protection of views from the South Bank towards

the Tower and he reported on progress.

- English Heritage had now provided a form of words to be included in the London View Management Framework (LVMF) but these had yet to be agreed by the GLA.
- The Chairman had received a reply to his letter from the Minister for Culture and our working assumption was that this would provide comfort that the Planning Circular will address some of our concerns over the weighting of policies relating to World Heritage Sites.
- He understood that it had been agreed that Historic Royal Palaces would be a statutory consultee within the LVMF

The Board also noted the progress on the World Heritage Site Management Plan, its current status and the outstanding consultation comments. They endorsed the Plan subject to the satisfactory resolution of the view protection issues and consultation comments and noted that HRP would convene the World Heritage Site Consultative Committee to approve the plan. Following their approval, it was agreed that a small committee of Trustees would review it and that the Chairman following their recommendation would sign off the Plan for adoption on behalf of the Board.

The Chief Executive felt that although the process had been slow, a satisfactory resolution of the main issues had been achieved and thanked the Conservation and Learning Director for his work.

7. The Retail Business Management Information System

- 7.1 The Board noted the contents of the report. Sir Alan Reid asked for clarification about the decision to finance the system by lease rather than purchase. This was to spread the cost whilst building the free reserves. Dawn Austwick suggested that the paper should have more detail on the selection process, quality and choice and less on the vision. The Board was agreed that this was a good steer for future papers. The Board were content to authorise the investment decision to enter into a contract with VCS-Timeless for the new Retail management information system.

8. Base Court Phase IV – Clock Tower Conservation

- 8.1 The Board noted the contents of the report. Sir Hugh Roberts asked that the Royal Collection clockmakers were involved in the work on the astronomical clock. The Conservation and Learning Director explained how the hoarding on Clock Tower would be used to explain the conservation work and part of the way-faring interpretation for Young Henry 2007. The Board of Trustees authorised the investment decision for the full repairs to the Anne Boleyn Gatehouse (Base Court Phase VI – Clock Tower) including £35,000 cost for the conservation works of the astronomical clock dials within a budget of £945,000 (+VAT 12% = £1,058,400).

9. Kew Palace : Review of 2006

- 9.1 The Board noted the contents of the report and commented on their own experience of Kew Palace. Its success had been recognised by being shortlisted in the final four for the Gulbenkian Prize and it has won a number of other awards.

10. The Jewel House Project

- 10.1 The Board noted the contents of the Governor's report. Trustees felt that the key to the future development of the Jewel House was to understand what visitors thought. Trustees debated where the focus of effort in development should lie. The Chairman summarised the discussion as follows:
- It was important to conduct visitor research as well as to ask staff
 - Unless visitor research revealed otherwise, the focus of effort should be on
 - Improving the interpretation
 - Reviewing queue management.

- o Involving the Martin Tower more in the visitor experience.
- o There should not be major changes to the Treasury, although aspects may need refreshment.

11. **The Chief Executive's Report**

11.1 The Board noted the contents of the Chief Executive's report and in particular

- The update on Gift Aid
- The progress on the exhibition at Kensington Palace

The Chief Executive also reported the good news that the organisation had received Museum and Heritage Excellence Awards for Kew Palace and for Marketing. He also gave Trustees further information on the proposals for the Jolly Boatman and Hampton Court Station sites.

12 **Financial Performance**

12.1 The Board noted the contents of the Finance Director's report. The Finance Director gave some headlines in performance and areas for concern for the year ended 31st March. Subject to audit, the overall improvement from quarter 3 was £1.3 million. The Chairman congratulated the Executive on HRP's overall successful financial performance in the year. Malcolm Reading observed that the budgeted level of planned buildings conservation was still not being reached. Although this is ring-fenced and allocated to the following year, the Conservation and Learning Director explained that the programme had been hit by unfilled vacancies in the Surveyors Department and that the problem would not go away as there was a boom in the industry. He would report further in September.

The Board also noted performance for the first five weeks of the year ended 31st March 2008 and the updated report on the reserves policy and agreed the proposed free reserves level for Historic Royal Palaces given a realistic assessment of risks associated with key income and expenditure streams.

13. **The Secretary of State's targets.**

The Board noted the report which was in the same format as previous years. The Trust and Company Secretary advised that the targets for Access and Learning for 07/08 should all be above 1.1 and not above 1.0 as stated in the paper and that there would be a footnote in the Review to explain that the planned building conservation expenditure was only part of the total spend on conservation. The Board agreed the targets for 07/08 noting that the conservation targets would be for planned building conservation only and asked the Chief Executive to recommend them to the Department for Culture, Media and Sport.

14. **Governance and Organisation**

14.1 The Chairman reported recent progress on the remaining Trustee appointment.

14.2 The Board noted the contents of the report and agreed the principles of Board committee membership. It was agreed that the Chairman would consult with individual Trustees and report back at the next meeting. The Board agreed that Sue Farr would be appointed to both the Remuneration Committee and to the Campaign Board and that Dawn Austwick would be appointed to the Audit Committee.

14.3 The Board received notice of the AGM of Historic Royal Palaces Enterprises Limited and nominated Michael Day to represent Historic Royal Palaces' interest at the AGM.

15. **Next Meeting** : Monday 25th June at Kensington Palace for approval of the Annual Review and Accounts.