

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

**Hampton Court Palace, Wednesday 22nd July 2009
Minutes**

Present: Charles Mackay (Chairman)
Sir Alan Reid (Deputy Chairman)
Sophie Andreae
Dawn Austwick
Sue Farr
John Hamer
Sir Hugh Roberts
Sir Roger Wheeler

Apologies Sir Trevor McDonald
Sir Adrian Montague
Malcolm Reading

Ian Barlow - Chairman of the Campaign Board

In attendance: Michael Day - Chief Executive
John Barnes - Conservation and Learning Director
Gina George - Retail Director
Tania Fitzgerald - Finance Director
Alyson Lawton - Trust and Company Secretary
David Souden - Head of Access and Learning (for item 7)

1. Chairman's comments

1.1 The Chairman noted that apologies had been received from Sir Trevor McDonald, Sir Adrian Montague and Malcolm Reading. He also advised the Board that Sir Hugh Roberts would be retiring as Director of the Royal Collection in April and that his successor was Jonathan Marsden who would therefore replace him on the Board in May 2010,

2. The Minutes from Previous Meetings

2.1 The Minutes of the meetings held on May 20th 2009 and June 20th 2009 were approved.

3. Matters arising from previous meetings

3.1 The Board reviewed matters still outstanding from previous meetings and agreed some revised actions.

4. Retail Strategy

4.1 The Board noted the contents of the Retail Director's report. The Retail Director gave a short presentation covering the key elements of the strategy. She felt that although Retail was now performing better, there was further potential. The Board discussed the elements of the strategy and commended the comprehensive approach.

Trustees discussed how shops and products were being developed in keeping with the brand; the role of market research; the location for shops and improvement plans; the role of partnerships; and our approach to publishing. The Board asked to be kept informed on details of the product strategy, noting that good product development relied heavily on the buying department.

The Board then discussed specific proposals and approved the approach to the investment plans. The Board endorsed the overall approach, the proposals within

the strategy and the principle of a rolling retail development programme funded by retail profits above an agreed level. The appropriate level would be considered in the context of the overall strategic plan. The Board thanked the Retail Director for the excellent work in developing the new strategy.

Trustees agreed that the explanation within the report on guidebooks met their earlier request for information.

5. Strategic Review of Aim 5: *Generate the money to make it all happen*

5.1 The Board noted the contents of the report and thanked the Finance Director for her comprehensive and clear paper. The Finance Director discussed the key issues. Visitor numbers, and therefore visitor income, were strong. However other income streams such as investment income; functions and events income and development income were more challenging in the current economic climate. The Board asked about the opportunity for a further large scale event. A number of events had been tried over the last few years, some with more success than others. The Board asked about the ambition for development and gave their views, and also about plans to encourage visitors. The Board thanked the Finance Director for her paper.

6. Pricing

6.1 The Board noted the contents of the report and gave their views. The Board endorsed the recommendation for 2009/10 pricing, which will now be implemented for the Travel Trade.

7. Future ambitions for engagement with learners and communities

7.1 The Board noted the contents of the report. The Conservation and Learning Director thanked the Chairman and John Hamer for their input into the report. The purpose of the discussion was to seek views on the emerging thinking on how to expand what we do in the education programmes to reach larger numbers in a wider demographic group and to work over a larger geographic area.

The best experience would always be on site because it was based within the palaces themselves. We would continue with the current high quality programme but with nearing capacity on site and with an ambition to have wider impact, one of the ways to achieve this would be to go beyond the walls with schools outreach and e-learning. Trustees gave their views;

- There was a risk that off site learning might be labour intensive and would reach small numbers.
- E learning was untested for us and the extent of its potential impact yet to be explored. A partnership approach might keep us at the forefront of technology.
- In any expansion plans, the quality of what we currently do on site should not be sacrificed.
- It would be a challenge to measure success or long term benefits.
- New ideas should be piloted and that the Kensington Palace project provided an opportunity to do this.

The Head of Access and Learning also explained how citizenship and the citizenship ceremonies were being used to have wider impact. The expanded approach was beyond our current resources, and we would need to seek external funding or prioritise these at the expense of currently funded work.

The Board agreed with the ambition to have a larger impact than our current Education and Outreach work but felt that the ideas in the paper were not sufficiently worked up to form a strategic decision. The Chairman summarised the discussions noting the ideas set out in the paper were worth exploring with the caveats discussed earlier. The principles of our learning ambition should always be palace-related: Trustees felt that targeting schools to come on site was the easiest area and there were some concerns in expanding beyond the walls. E-

learning was a new aspect and the Board needed to understand what was intended, who it reached and what it is going to cost before forming a view. The Management team was asked to develop the ideas for further discussion and to indicate scale of funding required to achieve them.

8. Chief Executive's Reviews

- 8.1 The Board noted the contents of the Chief Executive's Reports for June and July. Michael Day noted the impressive range of activities that had taken place during the past few months including the river pageant; a cultivation event at Kensington Palace; the Constable's Dues and a three-day academic conference on Henry VIII. This time had been quite special for Historic Royal Palaces as an organisation. Trustees echoed this and asked him to express their thanks to staff.

At their meeting in June, Trustees had asked for further clarification regarding liability for restoration in the event of damage to the buildings from, for example, a major fire. Legal advice was being taken and he would now report back in September.

The Board noted recent developments regarding the planning application for the Kensington Palace Development project. The Conservation and Learning Director undertook to keep Trustees informed.

The Board agreed with the recommendation for the pay proposal which had also been discussed and agreed by the Remuneration Committee earlier in the day.

The Board noted that Hampton Court Palace would be the venue for a Royal Wedding in September and that a number of VIPs had been recently welcomed to the Palaces including Archbishop Desmond Tutu.

9. Financial Performance to 30th June 2009

- 9.1 The Board noted the contents of the Finance Director's Report. Most of the income streams had been discussed earlier in the meeting. She advised that the majority of differences in expenditure patterns at this stage of the year when compared with budget, were due to timing.

10. Enabling works at Kensington Palace

- 10.1 The Board noted the contents of the Conservation and Learning Director's report. The Conservation and Learning Director gave an update on the tenders. The Board authorised the project team to proceed with the enabling works within the budget specified.

11. Collections Management and Acquisition and Disposal policies

- 11.1 The Board noted the contents of the report. The Board agreed the amended policies subject to the final drafting comments from Sir Hugh Roberts.

12.. Investment Committee

- 12.1 The Board noted the minutes of the Investment Committee held on 7th May 2009.

13. Remuneration Committee

- 13.1 The Chairman of the Remuneration Committee gave a verbal report on the Remuneration Committee's discussions on succession planning held immediately before the meeting.

- 13.2. The Board appointed John Hamer as Chairman of the Remuneration Committee to succeed Sir Roger Wheeler who steps down as a Trustee. The Board thanked Sir Roger for his work as Chairman of the Committee since 2006 and previously as a member of the Committee.

14. **Chairman of Historic Royal Palaces' Campaign Board.**
- 14.1 The Board noted the contents of the report which included the revised role specification containing the terms of appointment. The Board agreed the role specification, subject to the amendments discussed in the meeting.
15. **Register of Interests**
- 15.1 The Board noted the change to the register of interests
- 16 **Any other business**
- 16.1 The Chairman noted that this was General Sir Roger Wheeler's last meeting as Trustee before his retirement as Constable of the Tower of London at the end of July. Sir Roger had served on the Board since August 2001. On behalf of the Board, the Chairman expressed his great appreciation for Sir Roger's contribution to the work of the Board and also for his work as Constable, and for serving on both the Remuneration and Audit Committees.
- 17 **Next meeting:** Wednesday 16th September 2009 at Kensington Palace.