



Historic Royal Palaces is the charity that looks after

**Tower of London**  
**Hampton Court Palace**  
**Banqueting House**  
**Kensington Palace**  
**Kew Palace**  
**Hillsborough Castle**

We help everyone explore the story of how monarchs and people have shaped society, in some of the greatest palaces ever built

We raise all our own funds and depend on the support of our visitors, members, donors, sponsors and volunteers.

## Minutes

Meeting name: **Board of Trustees**

Date of meeting: **Thursday 2<sup>nd</sup> October 2014**

Location: **Hillsborough Castle**

Attendees: Charles Mackay (Chairman)  
Sophie Andreae  
Dawn Austwick  
Bruce Carnegie-Brown  
Lord Dannatt  
Val Gooding  
Sir Trevor McDonald  
Jonathan Marsden  
Louise Wilson

Apologies: Sir Alan Reid (Deputy Chairman)  
Liz Cleaver  
Malcolm Reading (Observer)

In attendance: Michael Day - Chief Executive  
John Barnes - Conservation and Learning Director  
Tania Fitzgerald - Finance Director  
Richard Harrold - Tower Group Director  
Alyson Lawton - Trust and Company Secretary  
  
Christopher Warleigh-Lack - Curator, Hillsborough Castle

### 1. **Chairman's comments**

1.1 The Chairman noted the apologies received.

### 2. **Minutes of the last meetings**

2.1 The minutes for the meeting held on Wednesday 22<sup>nd</sup> July 2014 were approved

### 3. **Matters Arising**

3.1 There were no matters arising.

### 4. **Strategic Development**

#### 4.1 **Hillsborough Castle**

##### 4.1.1 **General Update**

4.1.1.1 The Board noted the contents of the update.

Although significant parts of the house re-presentation would be achieved by 2016, there would be a need to organise some temporary visitor facilities whilst the permanent facilities are being built for 2018/19. Trustees asked whether



there was anything that could be done to speed up the timetable, but noted that an application to the Heritage Lottery Fund would determine the eventual timetable.

It was important to ensure that visitors, in the meantime, understood that the public offer at the Castle was work in progress. The Board all agreed that it was important to get the thinking right for a project of this scale and, in the meantime, manage each group of stakeholders' expectations with regular tailored communications to ensure that they understood the intermediate offer.

Dawn Austwick also asked about the social outcomes from the scheme. These are being developed.

The Board noted the plans for new security arrangements. Richard Harrold observed that this was in keeping with our policy at all sites.

The Board recorded their thanks to the Clore Duffield Foundation for their very generous offer of support for a learning centre at Hillsborough.

#### **4.1.2 Hillsborough Castle Conservation Management Plan**

**4.1.2.1** The Board noted the contents of the report. The Conservation Management Plan sets out the significance of the site and how to conserve it. The plan has also extended knowledge about Hillsborough Castle. A further iteration would include specific policies flowing from the Castle's continued use as a royal residence. The Board approved the plan, subject to these changes which would be communicated to the Board by email.

Sophie Andreae suggested that, in time, the plan might also be extended to include the wider setting including the further landscape and views.

The Board thanked Christopher Warleigh-Lack, the Curator at Hillsborough, for his work in researching and writing the plan.

#### **4.2. Policy on inclusion of people with learning disabilities**

**4.2.1** The Board noted the contents of the paper. The Tower Group Director explained that he had sought the views of the Hillsborough Castle Advisory Group. The policy will be put into action as one of the strands of activity located in the Walled Garden. The Advisory Group felt that if possible, any such opportunities should not be limited to people with learning disabilities. The Board endorsed the policy statement.

#### **4.3 Strategic Aim: Generate the Money to make it all happen**

**4.3.1** The Board noted the contents of the report. Current performance was strong. The paper focused on income potential. However, looking at the medium term, the Finance Director, Tania Fitzgerald, noted that costs could grow faster than income and that her team would be modelling this scenario and its impact on our ambitious investment programme.

**Visitors:** Trustees asked about capacity for each site. Whilst there is capacity at the other sites, the Tower of London, a "must see" for visitors to London, has particular peaks when capacity is almost reached. Options for managing this are being considered. Work on the domestic market strategy will be reinvigorated in the autumn when the new Communication & Development Director joins.

**Retail:** Tania Fitzgerald noted that the programme of shop refurbishments was having impact by increasing contribution. Jonathan Marsden noted an emerging



trend for the sector of reduced spend per visitor. He suggested that this might be a result of limited domestic wage growth and the longer than anticipated European recession.

**Functions & Events:** Performance in this area has been more volatile. Large scale events have been variable in financial terms, however, the general functions and events market has held up well. Some annual events have now reached a steady state with little opportunity for further growth. Other events piloted through the creative programming work could be developed into annual events.

**Catering:** The Board noted that the Retail Director is now overseeing catering and is conducting a detailed review of the opportunities.

**Development:** The Chief Executive proposes to re-cast Campaign II to reflect the revised potential in each category of the Campaign. Head of Development will be invited to present a progress report to the Board.

**Cash:** The Board noted the cash position and that the Investment Committee are looking to co-opt a member with skills from the Investment world.

The Board thanked Tania for her report.

#### **4.4 Digital Strategy**

**4.4.1** The Board noted the contents of the report. Tania Fitzgerald was pleased to report good progress. The Poppies project had represented some challenges in terms of redirecting resources but had also provided some digital learning opportunities for the team. Staff continued to be generally well engaged with the digital strategy. One or two matters had not gone to plan, mainly in the area of recruitment into specialist roles.

Dawn Austwick asked how the digital strategy connected with the rest of the information systems work (IS). Tania explained that within the digital programme there is an enabling IS work stream but there were also other IS activities outside the programme. A strategy for these elements was being developed.

Bruce Carnegie-Brown asked about the metrics that would be used to monitor performance. It was agreed that her next update would include some top level performance measures. The Board thanked Tania for the update.

#### **4.5 New Opportunities**

**4.5.1** The Board noted the contents of the report. After discussion, the Board supported the principle and agreed to the recommendations in the report.

### **5. Projects and Expenditure**

#### **5.1 Exterior Conservation Project - Banqueting House, Whitehall**

**5.1.1** The Board noted the contents of the report and that the glazing originally planned in Phase 2 might be brought forward as an additional investment decision at the end of this phase. The Board agreed to the Phase 1 investment decision recommended in the report.

#### **5.2 Georgian House, Hampton Court Palace**

**5.2.1** The Board noted the contents of the report and approved the investment decision for the conservation works to the Georgian House roof and elevations



as recommended in the report.

### **5.3 Queen's House and Bell Tower, Tower of London**

- 5.3.1 The Board noted the contents of the report. The Constable asked whether John Barnes might revisit the plan for wrapping of the works overlooking Tower Green.

Bruce Carnegie Brown asked whether there would be general access to the Bell Tower for visitors. John Barnes explained that the scope of this project was for external repairs only. Small groups might be accommodated during the works. The Board approved the recommendation.

### **5.4 White Tower South Elevation Entrance Steps, Tower of London**

- 5.4.1 The Board noted the contents of the report. John Barnes explained that the project is much more extensive and complex because the steps are being constructed based on research of Norman timber structures. The design also extended visitor provision by incorporating a covered children's buggy space. Malcolm Reading had been consulted on the plans. Savings could be made if a simpler design was adopted, however these would not be significant.

The Board therefore supported the design proposed; commented on the allowance for management fees, and approved the recommendation.

### **5.5 Live Interpretation Contract**

- 5.5.1 The Board noted the contents of the report and approved the proposal.

### **5.6 Research documents for Independent Research Organisation Application**

- 5.6.1 The Board noted the contents of the report. The three documents were an important step in our ambition to apply for Independent Research Organisation (IRO) Status. The Board noted our objectives for research. John Barnes confirmed that there was no overlap in research areas with the Royal Armouries.

Val Gooding asked about the requirements for a successful application for IRO. The application process had extensive guidance but the bar was high and it was by no means certain that Historic Royal Palaces would be successful. The Chairman asked whether there were any further implications for staffing. John Barnes explained that resources were already in place.

The Board endorsed the Research Strategy, Framework and Annual Research Plan for 2014 and asked the Chief Executive to thank Wendy Hitchmough, Head of Research, for her work in formulating this.

### **5.7 Hampton Court 500 in 2015**

- 5.7.1 The Board noted the contents of the report. John Barnes explained that the programme had twin ambitions; to maintain current visitors and to motivate new visits. The theme will form the major marketing campaign and messaging for Historic Royal Palaces in 2015. John Barnes confirmed that the content would be reviewed by the Trustees' Interpretation Sub Group at their next meeting. Dawn Austwick suggested that there should be more analysis of the relationship between the programme content and its impact on driving visits. This was endorsed by Michael Day who agreed that more work was required to understand the correlation.



**5.8 Acquisition**

- 5.8.1 The Trustees noted that negotiations are being undertaken and that a formal acquisition proposal will follow if a price can be agreed.

**6. Monitoring Performance**

**6.1 Chief Executive's Reviews for August and September**

- 6.1.1 The Board noted the contents of the Chief Executive's Reviews. The Chief Executive was pleased to report that sales of poppies had passed the breakeven point on costs for both the artist and for Historic Royal Palaces. Plans are being made to mark Remembrance Day and the team are now focussed on planning the de-installation and the process to pack and distribute the poppies sold.

He also noted that the highest ever weekly visitor numbers (for a non-Easter week) was achieved in the week commencing 24<sup>th</sup> August.

**6.2 Financial Performance to the end of August**

- 6.2.1 The Board noted the contents of the report. The Finance Director noted that the approval of the conservation projects at this meeting would require an adjustment to this year's budget. These amounts would be included in the annual re-forecast which would come to the November Trustees meeting for approval.

**7. Organisation and Governance**

**7.1 Audit and Risk Committee**

- 7.1.1 Dawn Austwick, Chair of the Audit and Risk Committee, gave a verbal report on the meeting held on 17<sup>th</sup> September. The Committee had received a presentation on the risks associated with the Poppies project. They had also discussed the approach to risk management generally, processes were tailored to the teams managing the risks rather than being standard across the organisation. The Committee confirmed that they were content with this approach. She also noted that the Audit Plan was currently on target.

The Committee discussed how it would remain quorate once Sophie Andreae stepped down as a Trustee at the end of the year. Although unusual, it was proposed to resolve this temporarily by appointing the Chairman, who himself will step down next May 2015, as a full member of the Audit and Risk Committee until such time that the current and upcoming vacancies are filled. The delay in appointments was caused by the backlog in the government appointment process. DCMS had been advised. Board approved this appointment.

**7.2 Register of Interests**

- 7.2.1 There are no changes to the register of interests

**8. Any Other Business**

- 8.1 The Chief Executive briefed the Board on recent developments following discussions with the Royal Botanic Gardens, Kew on the Pagoda. Val Gooding's interest as a Trustee of the Royal Botanic Gardens Kew was noted. The Board gave their views and agreed the revised approach, which was to reduce the scale of the project from that discussed at the May meeting. A full report would come to the November Trustees' Meeting.

**9. Next meeting: Kensington Palace, Wednesday 26<sup>th</sup> November 2014**

