



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 29 September 2016**

Location: **Hillsborough Castle**

Attendees: Rupert Gavin (Chairman)
Sir David Cannadine (Deputy Chairman)
Zeinab Badawi
Bruce Carnegie-Brown
Ajay Chowdhury
Liz Cleaver
General Sir Nicholas Houghton
Jane Kennedy
Jonathan Marsden
Carole Souter
Mike Stevens
Louise Wilson

Apologies: None

In attendance: Michael Day - Chief Executive
John Barnes - Conservation & Learning Director
Sue Hall - Finance Director
Richard Harrold - Tower Group Director
Dan Wolfe - Director of Development & Communications
Rachael Gilleard - Head of Governance

1. Chairman's comments

1.1 The Chairman welcomed Trustees to Hillsborough Castle.

No conflicts of interest were declared.

2. Minutes of the last meeting

2.1 Louise Wilson asked that the minutes of the last meeting be amended to record her offer of support to Liz Young in respect of the F&E business. Since the last meeting they have met and had a very constructive discussion.

Subject to the above, the minutes of the meeting held on 20 July 2016 were approved.

3. Matters Arising

3.1 Actions arising from the last meeting were discussed, as follows:

John Barnes confirmed that apprenticeship opportunities were built into our construction contracts, and would be similarly so for the Kew Pagoda. He noted that there will be a piece of commissioned artwork on the top floor of the Pagoda which could come from a Chinese artist. Zeinab Badawi suggested this might be an opportunity to commission an established artist. Michael Day noted that the artist will



need to work with HRP on the commission.

A proposal on the ladder of giving for dragons' sponsorship will be presented to the next Campaign Board meeting.

John Barnes reported that the KP Orangery Trustees' sub-group is due to meet on 13 October.

With regard to a previous request for further information on the KP King's State Apartments Phase 2 project to be brought back to Trustees, Michael Day noted that the project, alongside others, will be considered as part of the strategic planning process.

Notes on the Coronation Study Day have been circulated as part of the Chief Executive's September update to Trustees.

With thanks to all those involved, the Memorandum of Understanding with the Royal Household has now been signed.

A note on the Government Indemnity Scheme for loan items has been included in the Chief Executive's update for August.

The lease of the sub-basement of the Tower Hill Vaults has not yet been finalised.

4. Monitoring Performance

4.1 Chief Executive's written review for August and September

4.1.1 The Board noted the contents of the reports and commented as follows:

Bruce Carnegie-Brown commented that the item on the Equal Pay Audit should refer to encouraging the progression of female careers, rather than salaries. The correction was noted.

Mike Stevens wished to give great credit to the Learning & Engagement team for achieving growth in the schools programme despite the considerable challenge posed by the change in the curriculum. Michael Day expressed thanks, noting that the team had responded very creatively.

The Chairman noted that HRP is on the Kids in Museum shortlist, which is an achievement to be applauded.

Louise Wilson was encouraged to read about the 'stepping up and letting go' programme. Michael Day commented that it had prompted stimulating dialogue between the Senior Leadership Team and the Executive.

David Cannadine commented that the Coronation Study Day was testimony to vigorous intellectual life in HRP, and the organisation's capacity to attract external expertise. It was a very good and important day and the conclusions reflect that. Bruce Carnegie-Brown asked whether there was any further opportunity to make the Study Day work available to a wider audience. John Barnes replied that a research assignment on one of the subjects is currently being developed by a Curator.

On a related point, Carole Souter commented that she was supportive of the concept of the 'University of HRP' and that the idea of HRP sharing its academic knowledge was very important. David Cannadine concurred. Michael Day reported that he and Curator Wendy Hitchmough were engaging in conversations with several Universities in London and he felt confident of finding a partner for the launch of a programme (in either October 2018 or 19).



4.2 Financial Performance

4.2.1 Financial Performance until the end of August

The Board noted the contents of the report. Sue Hall highlighted the key matters, including the recent upward trend in visitor numbers. Other income is holding up well and there is a strong level of F&E forward bookings. The cost reduction measures put in place at Q1 have proved adequate.

Bruce Carnegie-Brown recognised the success of the expenditure adjustment measures and the Chairman noted that the change in reporting – with a shift towards gardens visitors and improvements in our counting – suggest in headline terms very strong visitor performance. The challenge is to manage the yield, under pressure because of a small drop in Tower visitors.

Mike Stevens felt that retail performance was worthy of congratulation. He questioned what has been driving the increase in ecommerce and Michael Day responded that a combination of HM The Queen's 90th birthday, increased promotion through our customer database and the falling £ had all had an effect. Zeinab Badawi asked whether there were plans for seasonal commemorative merchandise, but the Christmas stock has already been ordered. Jonathan Marsden noted how important commemorative ranges were in his experience.

Mike Stevens queried whether prices had been altered to reflect exchange rate movements. Sue Hall responded that rate changes have been integrated into the narrative used by retail staff, but prices have not changed.

Louise Wilson found the F&E results very encouraging and asked that we take the learnings from the Banqueting House Whitehall to Hillsborough Castle, when we close that.

The Chairman drew attention to the reduction in gift aid, commenting that we should be able to get a better hit rate on line if the website were designed properly. Liz Cleaver asked why we were working with a third party for the ticketing site, and why they were so slow. Dan Wolfe stated that it was a priority and acknowledged that we were dependent on the capability of our external ticketing partner. Having had a poor experience of the mobile site, Ajay Chowdhury asked what the plans were to deal with this. Dan Wolfe and Ajay Chowdhury to discuss at their upcoming meeting.

4.3 Key events for Trustees' diaries

4.3.1 The Board noted the dates of key events and the Chairman also highlighted the upcoming Twilight Tours at the Tower of London and Ghost Tours at Hampton Court Palace. On 16 November, Daisy Goodwin – writer of the television series 'Victoria' – will be speaking at Kensington Palace. Liz Cleaver recommended 'NIGHTWATCHERS' at the Tower. Louise Wilson congratulated the Development team and all involved in the Gloria Hunniford event at Hillsborough Castle on 22 September and asked that Trustees be kept informed of future events at Hillsborough.

5. Catering contract

5.1 The Board received a proposal to extend the catering contract. The Chairman summarised the recommendations in the paper.

After detailed consideration of the issues by Trustees, the Chairman proposed the following as a way forward, and this was agreed:

- (1) Proceed on the basis of the recommendation in the paper.
- (2) Understand the potential return from capital investment.
- (3) Further contractual details to be negotiated.



It was agreed that Trustees should discuss the London Living Wage at a later date when this had been fully evaluated.

6. Visitor experience at Kensington Palace

6.1 John Barnes presented the plans for the visitor experience at Kensington Palace in 2017, for information.

7. Sub-committees

7.1 Mike Stevens gave a verbal update on the Audit and Risk Committee held on 14 September, as follows:

- Further due diligence will be carried out on the work of the consultant auditor.
- The audit opinion on compliance and central training was that it was weak, however, the team is confident that this can be quickly rectified.
- The sub-group has agreed that its quorum should increase from two to three, of which two should be Trustees. Revised terms of reference will be presented to the Board.

Mike Stevens also reminded Trustees that all Trustees are welcome to attend a meeting of the ARC if there is subject matter being considered in which they are interested.

Louise Wilson queried whether there was a need to extend the membership of the sub-committee but Mike Stevens felt that membership was appropriate.

The Chairman asked that Marcus Boyle, the new member of the sub-committee, received Trustees' information and communications, as appropriate.

7.2 The Chairman gave an update on the recent deliberations of the Nominations Committee. Two specific items were agreed:

- (1) The unanimous decision to re-appoint Bruce Carnegie-Brown as Chair of the Campaign Board. The Board approved this decision. The DCMS will now be informed.
- (2) With regard to the appointment of a new Trustee in May 2017, the Nominations Committee agreed that the role specification should remain essentially the same, focusing on education, outreach and public engagement. The Board approved this decision.

8. Procedural matters

8.1 To approve a new lease and management agreement for Hillsborough Castle

Dick Harrold presented the paper, noting that the new lease and management agreement were in virtually final form, and asking Trustees for authority for the Chairman and Chief Executive to sign the documents once finalised. He noted that the MOU regarding operational requirements of the NIO was to be agreed, but that this would not prevent completion of the other documents. The Board approved the request.

8.2 To approve a new contract for internet infrastructure.

The Board noted the paper and approved the recommendation.

8.3 Changes to the register of interests

The Board noted the changes to the register of interests and that Rachael Gilleard is to conduct the regular review of the register.

9. Any other business

9.1 The Chairman asked for a briefing in the next Chief Executive's report on what Historic Royal Palaces is doing in response to the requirements of The Modern Slavery Act 2015.



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10. Next meeting: Kensington Palace, Thursday 1 December 2016

