



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: **Friday 28 September 2018**  
Location: **New Armouries Meeting Suite, Tower of London**

Attendees: Rupert Gavin (Chairman)  
Zeinab Badawi  
Bruce Carnegie-Brown  
Ajay Chowdhury  
Lord Houghton  
Jane Kennedy  
Carole Souter  
Sir Michael Stevens  
Sue Wilkinson  
Louise Wilson

In attendance: John Barnes, Gina George, Rachael Gilleard, Sue Hall, Adrian Phillips, Dan Wolfe, Andrew Favell (item 6), Tom O'Leary (item 10)

Apologies: Professor Sir David Cannadine (Deputy Chairman), Tim Knox

### 1. Opening business

1.1 The Chairman welcomed Trustees to the meeting.

1.2 Apologies were noted from Sir David Cannadine and Tim Knox.

1.3 Jane Kennedy reminded the Board that she is a Senior Partner of Purcell. Purcell has been selected as the architect for the build of the Orangery Wing at Kensington Palace. It was also noted that Tim Knox is partner of Todd Longstaffe-Gowan and Secretary of Todd Longstaffe-Gowan Ltd, which provides landscape design services for HRP.

### 1.4 *Matters arising*

Referring to the July minutes, Lord Houghton again questioned the apparent lack of interpretation signage on hoardings around building works at the Tower, and other Trustees noted that the availability and quality of signage was inconsistent. The Public Engagement and Palaces and Collections departments will review signage around building works, prioritising high profile areas.



Jane Kennedy asked about the improvements to the Orangery Pavilion. Gina George explained that new signage was being put up and the inside and outside being re-dressed. The website presence will also be improved. Louise Wilson noted that in her experience the food was excellent, but that the service could be improved. This is also being dealt with.

Louise Wilson re-iterated her offer to assist with HRP Inc.

Carole Souter raised a question about the conservation approach to the Rubens ceiling. The options and an outline proposal will be brought to a future Trustees' meeting.

The final operating budget 2018/19 is available to Trustees who wish to see it.

1.5 The minutes of the last meeting were reviewed and agreed.

## 2. Monitoring performance

### 2.1 *Chief Executive's report*

Carole Souter noted that while the critical response to *East Wall* was excellent, it was not clear whether the project had met its objectives as the report did not spell this out. A post-project review will be available to Trustees, including finances, reach, impact and learning for future moat events.

Zeinab Badawi commented that the HRP MA in Heritage Management has significant international marketing potential. The take up from international students has been good so far and, in terms of the course's USP, HRP is uniquely able to offer study and work placements at the palaces with HRP staff.

Louise Wilson offered her congratulations on the appointments of Nicola Andrews (Palaces Group Director) and Lucy Hutchings (Head of Operations, HCP), and congratulations to the team for an excellent Irish art reception at Hillsborough Castle.

Bruce Carnegie-Brown noted that the Board periodically links up with Trustees in partner organisations and wondered whether this ought to include the Royal Botanic Gardens Kew. John Barnes will discuss this with the Director at their next meeting

The 'Chubby Cloud' event was noted as bringing a new audience into the Banqueting House.

From the major projects report, Sir Michael Stevens questioned the indicative cost of the Tudor Private Lives project. Adrian Phillips confirmed that this was at feasibility stage, but it could entail a significant reconfiguration of space. Bruce Carnegie-Brown noted that this is a potential project for Campaign III, depending on timing, and that an initial view on the project was required to understand its potential in this regard.



2.2 *Financial management report*

Carole Souter noted the change in the pension plan liability. Sue Hall confirmed that a triennial revaluation was being concluded currently and that the defined benefits pension scheme would close as planned at the start of the next financial year.

**3. Retail update**

3.1 Trustees received an update on HRP's retail performance.

Sir Michael Stevens commented that the growth in off-site sales was encouraging and asked if the team had appropriate support in this area. Gina George explained that they are working with experts from Grant Thornton, initially looking at licencing opportunities.

Louise Wilson asked how HRP could make a step change in online sales. HRP is planning to go to online market places. It has been difficult to secure staff with relevant expertise but this is being addressed. Ajay Chowdhury offered to advise the team.

Louise Wilson also asked whether HRP shops were in the right locations. The location of the shops is being reviewed and plans are in place, for example at Hampton Court Palace, to re-site and consolidate the retail offer.

Zeinab Badawi emphasised the importance of ethical and local sourcing. This is important to HRP and is being taken into account in purchasing decisions.

**4. Catering update**

4.1 Trustees received an update on HRP's catering performance.

Sir Michael Stevens asked whether the improvements fund within the catering contract will be used to support planned development work. Gina George explained that this will be discussed with the caterer when a full programme of work is prepared.

Trustees agreed that The Sargeant's Mess needed attention. Considering all the issues of space and access at the Tower and the potential offered by the Wharf, Trustees questioned what the cost of keeping it open at night and concluded that a holistic view of the Tower of London was required. The Tower Core Story and future plans will be brought to Trustees for discussion.

**5. London Living Wage (LLW)**

5.1 Trustees received a report on the status of discussions with HRP's contract caterer, CH & Co., on payment of the LLW to their employees. It was noted that a significant proportion of permanent employees already received the LLW and that most that did not are seasonal and temporary staff. Trustees recognised that payment of the LLW was a broader question, and that Board members had differing opinions about the timescale within which HRP should aim



that all subcontracted staff should be receiving it. It was noted that very few of our London competitors paid it. After discussion, it was agreed that the Executive Board should extend payment of the LLW to all permanent CH& Co. employees and should finalise the process and costing to do this.

## **6. Gift Aid**

- 6.1 Trustees received a paper setting out the ways in which HRP can improve its Gift Aid performance and noted the steps that are being taken to do so.

Louise Wilson commented that the process of obtaining Gift Aid was seemingly simpler at competitor sites, and felt that there were some measures that HRP could easily put in place. Carole Souter observed that the additional donation required to secure Gift Aid could be perceived as prohibitive, hence Gift Aid on membership is key. Sir Michael Stevens commented that Gift Aid is a fundamental part of the admissions process and an opportunity to explain the charity's objectives. The Chairman asked that the team consider learning from other institutions performing better than HRP on Gift Aid, and create a prioritised action plan and timetable for implementation.

## **7. Hillsborough Castle project update**

- 7.1 Trustees noted the status of the project.

As a member of the Hillsborough Castle Trustees' sub-group, Jane Kennedy gave her opinion that it is difficult to manage a building site remotely and there have been improvements on site since July. Sourcing labour is a continued problem and in the current market there is little more that HRP can do about this. Despite the efforts of the team, it is likely that there will be phased handover of the site. Carole Souter, also a member of the sub-group, concurred. The Chairman thanked both Trustees for their engagement and scrutiny and Adrian Phillips for his attention to the project.

## **8. Hillsborough Castle Project Contingency**

- 8.1 Trustees approved a request for an additional £1.247m (including VAT) funding to cover projected costs and contingency allowance, and a further £175,770 (including VAT) for items identified as extra to the project.

## **9. Hillsborough Castle Communications Strategy**

- 9.1 Trustees received an explanation of the communications strategy for the launch of Hillsborough Castle.

Louise Wilson commended the team on excellent due diligence on local PR agencies, and agreed that the additional funding that has been proposed is required.



Zeinab Badawi asked whether HRP is seeking celebrity endorsement. This is being considered.

Sue Wilkinson asked about the implications of Brexit. John Barnes explained that in the absence of any firm proposals, we would not be expecting to make any changes to our current plan before the opening, but that there may be implications by the end of the transition period. HRP will need to monitor the situation and be agile in response.

## **10. Sustainability**

### **10.1 The Board received the Sustainability Strategy.**

Trustees observed that it would be helpful, when reporting back, to give examples of the work that HRP has done to implement the strategy.

Bruce Carnegie-Brown questioned whether ‘sustainability’ was being defined too narrowly and whether consideration should be given to environmental, social and governance factors in future.

Carole Souter queried whether HRP should have a broader ambition to work with third parties and the community. John Barnes explained that the approach is one of making sustained progress, but a future iteration of the strategy could include ambitions for contribution by HRP staff and visitors.

Trustees approved the strategy, with minor amendments to wording, as discussed at the meeting.

## **11. Trustees’ strategic session**

### **11.1 The Chairman fed back Trustees’ reflections and steers from the strategic session the previous day. They agreed that the presentations from the Executive were excellent. There is broad support for the development in the cause and excitement at the plans. The session was a useful exposure to the Executive’s thinking and Trustees feel well-briefed. Trustees also welcomed the openness with which the sessions were conducted.**

The key challenge is to articulate what this adds up to in a strategy with a sense of the aims to be achieved over, say, five years. This, and the operating plan that flows from it, should clearly link to HRP’s charitable purposes (charter objectives) and should create the strategic framework within which priorities are identified and decisions made.

Lord Houghton observed that previous strategic sessions have tended to focus on the near term plan. Trustees agreed that the next session should look further into the future, and examine the broader operating context more.

*Ajay Chowdhury left the meeting at this point.*



12. **Audit and Risk Committee**
  - 12.1 Trustees noted the minutes of the June meeting, a verbal update on which had been given at the July meeting.
13. **Register of Interests**
  - 13.1 The Register of Interests was noted.
14. **Trustee meeting dates 2019**
  - 14.1 The dates were noted.
15. **Any other business**
  - 15.1 Tom O’Leary joined the meeting to update Trustees on *Beyond the Deepening Shadow: the Tower Remembers*.
  - 15.2 The Executive (except John Barnes and Rachael Gilleard) left the meeting while Trustees discussed the implications of Richard Harrold’s retirement and the Chief Executive’s conclusion about appointing his successor.

**Next meeting: 21 November, the Tower of London.**

