

**THE TRUSTEES OF THE NATIONAL MARITIME MUSEUM**  
**THREE HUNDRED AND SIXTIETH MEETING**  
**09:30 THURSDAY 22 NOVEMBER 2018**  
**IN THE BOARDROOM OF THE NATIONAL MARITIME MUSEUM**

**MINUTES**

**Trustees present:**

Sir Charles Dunstone, Chairman  
Joyce Bridges  
Dr Helen Czerski  
Professor Julian Dowdeswell  
Carol Marlow  
Eric Reynolds  
Gerald Russell  
Admiral Sir Mark Stanhope  
Jeremy Penn

**In attendance:**

Kevin Fewster	Director
Andy Bodle	Director, Operations and HR
Eleanor Harris	Director, Visitor Experience and Enterprises
Kate Seeckts	Director, Development
Gail Symington	Director, Collections and Public Engagement
Chris Walker	Director, Finance and IT
Christopher Gray	Museum Secretary

**~Board Matters~**

- i The Chairman welcomed Dr Helen Czerski, Trustee, to the Board and Gail Symington, Director, Collections and Public Engagement, to the meeting**
- ii Progress on Trustee recruitment**  
The Chairman reported that the Prime Minister's appointment of a Trustee with the capability of being the next Chair of the Audit Committee should be made over the next few weeks.
- iii Ratification of appointments to Trustee Committees**  
The Board ratified the appointment of Prof. Julian Dowdeswell to Chair of Collections Research Committee; Dr Fiona Butcher to membership of the Audit Committee and membership of the Collections Research Committee; Dr Helen Czerski as "critical friend" to ROG 350 project.

**~Governance Session~**

- 1. Apologies**  
Received from Dr Fiona Butcher, Trustee and Dr Aminul Hoque, Trustee.
- 2. Declaration of relevant interests related to this meeting**  
None other than those previously registered.

**3. Draft Minutes of Board meeting 359 of 20 September 2018**

The Board **agreed** the minutes to be a true record of the meeting and the Chairman of the Board certified the minutes accordingly.

**Draft Notes of Strategy meeting of 20 September 2018**

The Board **agreed** the notes to be a true record of the meeting.

**4. Director's Report for September to November 2018**

The Director focussed on updating the Board on the current status of the Museum's efforts to secure the *Titanic* collection for the benefit of the public.

Trustees heard that disappointingly, the National Oceanic and Atmospheric Administration (NOAA) had recommended to the Eastern District Court of Virginia (EDCV) that the sale to the stalking horse bidder proceed. However, at a hearing on 25 October the EDCV declined to accept NOAA's recommendation and encouraged NOAA to engage with the Museum. This duly happened and, on 12 November, the Museum's lawyers submitted a revised bid offer of \$14.8m in the event that the stalking horse purchaser is rejected by the EDCV. Frustratingly, NOAA's revised submission of 6 November to EDCV continued to back the stalking horse purchase. The next milestone is the EDCV hearing on 17 December.

Despite the legal complexities, Trustees were very pleased to note that the Museum's secured funding total had increased thanks to a special grant received from DCMS and the Trustees' decision to allocate, if required, the compensation the Board is receiving in relation to the head-house being built on our Kidbrooke land.

Overall Trustees considered it now less than likely that the collection would be saved for public ownership but agreed that there was still the possibility and asked the Director to continue the work accordingly.

Trustees also noted that Christine Riding, Head Curator of Art and the Queen's House, is leaving to take up a new appointment and requested the Director to pass on the gratitude of the Board for all her work during her time in Greenwich.

There were no matters arising and Trustees were grateful for and **noted** the Director's Report.

**5. Finance Director's Report:**

**5.1 2018-19 Forecast at Q2 and corporate plan financing update**

The Director, Finance and IT reported that the projected surplus for the full year after access to Reserves (for income recognised in prior years) decreases from £794k at Q1 to £438k at Q2. After taking into account the loan repayment (for the construction of PPMCC), the forecast outturn at Q2 is for no change in overall reserves, with a combined designation of £194k to the Development & Cutty Sark funds, compared to transfers of £549k to the funds at Q1 and £399k in the original budget.

Trustees noted the main movements to the Q2 forecast position and that the Q1 forecasts had been significantly more optimistic. The reforecast at the 6 month point includes a more cautious view of visitor numbers – the chief factor amongst which is the reduction in European visitors (beginning now to be reported by Visit Britain and other attractions).

The Board understood that on the basis of the admissions being reforecast downwards the impact for NMM would be to reduce the budgeted transfers to the designated Development Fund to £155k and to the Cutty Sark maintenance reserve to £39k. Nevertheless, there is a historic tendency to underspend in final half of year.

Trustees were concerned to note the potentially disappointing result for *Cutty Sark's* long term maintenance fund but understood that the Museum could not cross-subsidise the ship.

The Board queried why, if the financial planning for the ship was done at 250k visitors per annum, the actual finances were not delivering the surplus expected.

The Director, Visitor Experience and Enterprises stated that the planned Enrichment project for the ship will transform its entrance and make it a much more attractive proposition and assist in the conversion of the many visitors to Greenwich who pass by the ship without entering.

Trustees then **approved** the forecast at Q2.

Regarding the corporate plan financing, the Director, Finance and IT stated that he had taken a broad outlook on this and much work on affordability had been undertaken over the previous months. The ambition is to deliver rich & exciting activity programme while at the same time ensuring a core business model which is sustainable over the longer term.

As had been previewed to the Audit Committee on 8 November, at this point in the development of the financing plan the outlook was looking slightly daunting with an at best flat and quite possibly shrinking GiA.

Though the Museum is seeking to increase its admissions and trading revenues, and its fundraising, these areas alone are not presently covering the Museum's projected costs over the period of the 2019-23 corporate plan - and there was as yet no budget for special projects. In consequence a harder look at costs was now commencing.

Trustees noted that that this vital subject will return to the 28 February Board meeting but thanked the Director Finance and IT and the Executive for the work to date.

## **5.2 Management Accounts at 30 September 2018 v. Q1 Forecast; cashflow and Directors' expenses**

The Director, Finance and IT provided the Board with this more granular look at the financial position which revealed a surplus for the Museum of some £260k above forecast – which was principally due to a lag in expenditure and below forecast visitation to the ROG.

Trustees then **noted** the Management Accounts for the year to 30 September 2018 and the projected cashflow to October 2019.

The Directors' expenses for the period to 1 July to 30 September 2018 were also **noted**.

### **5.3 Strategic Risk Register at November 2018**

The Director, Finance and IT stated that the Executive Board had reviewed the Risk Register at its meeting on 23 October and that the Audit Committee had considered and endorsed the Register at its meeting on 8 November. The Audit Committee's comments regarding Grant in Aid, *Cutty Sark*, and the data breach had all been incorporated into the current revision before the Board.

The Board reviewed then **approved** the November 2018 Strategic Risk Register.

## **6. Data Breach update – strictly confidential**

The Director, Finance and IT provided Trustees with an update on the data breach discovered in late August.

The extensive and intensive effort to find the cause of the data loss (though clearly connected in some way with the transfer of Members data to the new ticketing system) had not found any definitive evidence of how the breach had actually happened. The Museum had been advised by the Cyber Security experts it had employed that this was not an unusual outcome of such an investigation. The investigative testing was now drawing to a close and a full report for the Information Commissioner's Office would be made when it was complete.

*This section redacted in accordance with the Freedom of Information Act 2000 S. 43 (2) Commercial Interests exemption.*

## **7. Rolling public programme update and forecasting visitor numbers**

Gail Symington, the Director, Collections and Public Engagement reintroduced herself in her new role to the Board. She was joined by Matt Lawrence, Head of Exhibitions and Design and Eleanor Harris, Director, Visitor Experience and Enterprises.

The Board receive a presentation focussing on exhibitions & displays (which public programming would align with). Trustees welcomed the hugely important Community involvement in the work but understood that building trust with new audiences takes time – though is undoubtedly worth this investment.

Trustees were very pleased with the expanded offer of the new galleries at NMMG and with how the Enrichment project had made it more accessible both physically and intellectually.

The Board agreed that commercial activity and displays are not mutually exclusive activities and careful planning and good design can make them a seamless and integrated experience - not just a shop and an exhibition.

Looking immediately ahead, work is to start in earnest on ROG masterplanning, starting from the visitor experience and working backwards and wherever possible to keep the sites open to the public during the work. The work will incorporate learnings from: Endeavour/Enrichment (visitor experience and complexity); Flamsteed house (how to deal with an important historic building) and Insight Investment Astronomy Photographer of the Year with its commercial integration. The Cutty Sark Enrichment project would also be informed by the recent knowledge gained at NMMG.

Trustees agreed that *The Moon* would be next year's special exhibition to run from 19 July 2019 to 20 January 2020. It would provide an emotional and intellectual journey to the Moon and back, presenting it as a mirror for humanity's dreams, obsessions and endeavours. 50 years on from Apollo 11's defining human achievement we will look at what the Moon means to us today.

The exhibition will display some 160 objects: paintings, photography, works on paper, decorative arts, scientific instruments, memorabilia, film, and contemporary art.

The Board also learned of the opportunity with the Australian National Maritime Museum and the Avatar Alliance Foundation to run *Challenging the Deep* which is a show which fits our brand of exploration, drama/challenge, and bravery very well and is planned for March to July 2020.

Looking forwards, Trustees were also briefed that the strategy for the exhibition programme was to reduce to one exhibition a year. To do that has meant that a show from the projected programme *Strange Coasts* has now been removed. At the same time, however, the strategy was also to provide the public with an annual exhibition in the photography gallery - at comparatively low cost.

In parallel and in the light of Brexit and visitor number risks, the sponsorship marketplace under pressure, exhibitions needs a new funding model which is more holistic than simply big name and big show sponsorship. The programme needs to be more relevant to and hence more attractive to external funders though Exhibitions Tax Relief (which is increased if the show tours) will certainly help with the funding model.

Moving on to looking at forecasting and ticketing, the Director, Visitor Experience and Enterprises, stated that the Museum had recently provided fantastic shows but had struggled sometimes forecasting their visitation.

Trustees heard that a lot of work has now been done in this area with a firm commitment to improve forecasting and develop better ticketing models. In particular we had looked at the Morris Hargreaves Macintyre five categories of exhibitions: Blockbuster; House hold Name; Familiar; In the know; and Specialist along with past exhibition insights and Cultural Panel Results.

In conclusion it looked likely that analysing previous Museum visitor penetration median levels related to the above five categories of exhibition type (though not blockbusters for Greenwich) gave the most solid projections and was clearly an evidence based approach.

However, the Director of Visitor Experience and Enterprises observed that the four new free galleries at NMM could compete with any paid for exhibitions.

Overall Trustees were very grateful for the excellent presentations and analysis on this most important of activities for the Museum.

The way forward on forecasting visitation to special exhibitions was particularly well received as the Board had not previously had this depth of analysis and this now provided the Museum with a realistic mechanism to employ which can go on to be validated by experience.

The Trustees and Executive then discussed:

- Whether Members' views and insights were sought as part of the analysis. The Executive responded that Members and their families predominantly went to and engaged with Cutty Sark and the Peter Harrison Planetarium.
- The clarification that Special Exhibition Gallery (SEG) shows would under this plan reduce from two to one per year. Trustees then requested that consideration be given to other uses of the SEG space outside exhibition times – perhaps for revenue generating events or storage space.
- Trustees were enthusiastic about the potential of the Maritime Silk Roads exhibition but requested the Executive to be aware of the ever-shifting international politics that revolve around this opportunity.
- The question of the quantum of marketing spend arose. The Director stated that the Museum had rebalanced its marketing budget to spend less on special exhibitions than previously (but, and rightly, more on the ROG and Cutty Sark) and Trustees considered that a more efficient outturn could be gained from more effective p.r. – especially we now we can use our own channels as exemplified recently by the coverage given to the Matt Collishaw artwork.
- The question of whether a profitable or break even business plan could or should be applied arose. The Chair made the point that Trustees must undertake the exhibition programme with the correct data and forecasts and can then decide whether or not the outcomes are to be subsidised, or not, and, if so, to what degree.

With that last point in mind the Board thanked the presenters for their work and agreed that the programme put forward for the coming years should go ahead and commended the more realistic and empirical approach that would be taken to forecasting visitor numbers.

**8. Annual Report from National Historic Ships-UK with Hannah Cunliffe, Director, NHS-UK**

The Director reminded the meeting that though the NHS-UK's provision of advice on all matters relating to historic vessels in the UK is independent from the Museum, the Board has the duty of overview and this was the purpose of the Annual Report made to Trustees at the November meeting.

The Director, National Historic Ships-UK gave an overview of the registers reporting that there were now 1300 craft on the National Register of Historic vessels and 200 of those were on the National Historic Fleet which are distinguished by being of pre-eminent national or regional significance.

The Shipshape Network, run by National Historic Ships UK, brings together historic vessel owners, skilled craftsmen, businesses, heritage organisations, training bodies and all those with an interest in Britain's maritime heritage and ship preservation and there are now 700 crafts-people around the seven Hubs in the UK (which included the *Cutty Sark*).

Trustees heard that the Highlights of 2018 included:

- new technical guidance papers- 5 cases studies on access for all
- the annual awards ceremony at Trinity House
- SS Shieldhall being awarded National Historic Ships UK's Regional Flagship (Solent).

Trustees thanked the Director, National Historic Ships for the report and stated that the small unit's value from money was outstanding and that its impact and support across its stakeholders is immense.

Trustees considered that more profile for the unit's work was required in London and the Thames. It was noted that of the annual Grant-in-Aid of £250k, some £160k was staff costs and a lot of external funding is required to support its projects. The meeting agreed and resolved to lobby DCMS for further funds as just a further £50k would make a big difference to its capabilities.

**~ Strategy Session ~**

**9 Building on our Success ~ final draft Corporate Plan to go for consultation**

The Director introduced the final draft and stated that if approved by the Board at this meeting, it would be sent for consultation with staff and volunteers and our principal stakeholders: DCMS, RMGF, NMMC, WHS partners, HLF, RBG and the public via our website.

Trustees agreed to proceed with the consultation on the basis that the Titanic collection would not be coming in to public ownership, but that if it did the plan can be modified accordingly.

The Director, Finance and IT confirmed that the major project elements of the corporate plan were not yet costed or funded and these would therefore need a second level of assurance on cost. His initial feeling is that this is going to be

challenging for the Museum and Trustees agreed that until this work is completed it is not feasible to discuss priorities.

The Board asked the Executive to consider:

- if at all possible, bring forward the work on the Meridian Line
- the Landscape Plan is a long timetable - could this be looked at again
- perhaps incorporate a specific schools programme objective

With those points, the Board approved the plan to go forward to consultation.

**11. Matters arising from information in Volume B**

The Director was very pleased to report to Trustees that all RMG sites have seen a very good rise in results in the recent Visit England Visitor Attraction Quality Scheme with the NMM achieving the notoriously hard to get Gold rating. Trustees were delighted with the news and asked for their congratulations to be given to all the staff and volunteers involved.

Trustees then **noted** the information in Volume B of their papers.

**12. Next Board Meeting**

Thursday 28 February 2019 at 09:30 in the Boardroom.

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Minutes certified by Sir Charles Dunstone, Chairman

Date

Trustees then welcomed Lawrence Birnie, Senior Metal Conservator, to note and celebrate his 40 years at the Museum.