

THE TRUSTEES OF THE NATIONAL MARITIME MUSEUM

THREE HUNDRED AND SEVENTY EIGHTH MEETING

14:00 THURSDAY 14 JULY 2022

HELD IN THE BOARDROOM

MINUTES

Trustees present:

Admiral Sir Mark Stanhope (Chair)
Professor Clare Anderson
Lance Batchelor
Dr Fiona Butcher
Sir Stephen Deuchar
Professor Julian Dowdeswell
Murdoch MacLennan
Alastair Marsh
Jeremy Penn
Professor Andrew Thompson

In attendance:

Paddy Rodgers	CEO, Royal Museums Greenwich
Gail Symington	Executive Creative Director
Chris Walker	Executive Business & Operations Director
Joyce Bridges	Trustee guest
Eric Reynolds	Trustee guest
Lucy Cooke	Head of Development
Karen Eden-Tuxford	Head of Commerce & Visitor Experience
Jane Costantini	Governance and Museum Records Manager

~Governance Session~

1. Apologies

Apologies received from Trustees Dr Helen Czerski and William Nye; John Avberhota, Head of People & Culture

2. Welcome to new Trustees and introductions

The Chairman welcomed new Trustees Professor Clare Anderson, Lance Batchelor, Sir Stephen Deuchar, Murdoch MacLennan and Professor Andrew Thompson and brief introductions were made to existing Trustees and RMG staff present.

3. Procedure and timetable for the election of the new Chair

The Governance Manager summarised the procedure as set out in the paper circulated prior to the meeting and Trustees were invited to comment. It was suggested that it might be preferable to include prospective candidates in the review and election process once all applications had been received. The Board **agreed** with this suggestion and the procedure shall be amended accordingly.

4. Cabinet Office guidance on Chair and Trustee Appraisals

The Governance Manager outlined the changes set out in the circulated papers. The Board effectiveness questionnaire shall go out to Trustees in September and shall also include questions relating to the future as well as the past so that our new Trustees can contribute suggestions. We also hope to use the opportunity to appraise Trustees' interests with a view to matching them with various vacancies on our committees (Audit, Remuneration and Nominations Committees).

There were no questions arising and the guidance was duly **noted**.

5. Declaration of relevant interests related to this meeting

No relevant interests were declared.

6. Draft Minutes of Board meeting 377 of 28 April 2022

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

7. Director's Report

The Director's report had been circulated to the Board prior to the meeting. The Director set out for Trustees the various steps taken since 2019 which had led to our RMG Plan 2022-26 and the annual reporting milestones now in place. Next he showed Trustees the floorplans of our sites which were colour coded according to the age of our galleries. These revealed that whilst the *Cutty Sark* and Queen's House were in comparatively good shape, having undergone relatively recent refurbishments, some NMM galleries are in need of a refresh but the Observatory stood out as being our top priority. Our difficulty has always been that it is hugely valuable to us in terms of generating revenue, and full or partial closure will be costly but we cannot put this off indefinitely; the 350th anniversary of celestial observation in 2026 presents us with an opportunity to deliver something spectacular.

Trustees commented that they found the layout of the report, structured in line with the RMG Plan, very helpful. They were keen to understand the staffing situation since the reorganisation and the departure of several directors. The Director explained that greater emphasis was being placed on the General Managers for each of our sites as the key representatives of our visitors and there is greater focus on engagement and outreach. A new Head of Research and Curatorship has recently started and the hope is that she will provide direction and motivation for the curatorial team. Our ability to recruit and retain staff is a problem and something we need to address with urgency. Pay is an issue which will be discussed with Trustees later in the meeting.

Trustees asked whether we were pushing to get international tourists back. The Director stated that we were targeting some marketing at certain European countries and whilst predictions at the start of the year for a recovery were cautious, we have been pleasantly surprised that visitation has been better than forecast. Whilst the strong dollar against the pound is likely to attract US visitors, a return of visitors from the Far East is not predicted for some time with Covid restrictions still in place in China and the war in Ukraine affecting travel

routes. We are working hard to attract repeat domestic visitation with a frequently changing offer of programmes.

Trustees were also keen to hear more about our ambitions on Digital and the work undertaken with Leicester University. The Directors informed the Board that the Leicester University 'One by One' project had provided an assessment of our digital competence and made recommendations to improve our approach to digital projects. We are trialling the digitisation of historic photograph negatives with a view to making them accessible for public co-curation. We also have active digital marketing programmes and have extended our customer database using soft opt-in methods prescribed under PECR (Private Electronic Communications Regulations) which sit alongside GDPR (General Data Protection Regulations).

There were no further questions and Trustees thanked the Director for his report which was **noted**.

8. Visitor update

The Head of Commerce and Visitor Experience showed the Board a graph illustrating the actual visitor numbers for the first quarter compared with our forecast and also compared with 2019 numbers. The NMM free galleries attract most visitors but the ROG is also performing significantly above forecast. We welcomed over 460,000 visitors across the sites, which was up 260,000 against the original forecast. Admissions income for the charged sites was just under £1.3m representing growth on the original budget of £654,000. Membership income was £133,500, up £25,000 against forecast with over 1000 new memberships this quarter and Retail generated sales of £588,000 which was up £302,000 against the original budget. *This section redacted in accordance with the Freedom of Information Act 2000 s. Section 43(2) prejudicial to the commercial interests of a third party.*

Trustees were keen to understand if the visitor figures included visitors who came to more than one site on the same day and it was confirmed that this is the case. A question was asked regarding pre-Covid visitation and whether or not we had ever felt we were reaching capacity as this is a concern at some of our peer organisations where the visitor experience risks being compromised by the volume of visitors. Trustees were told this is not a concern for us, but the Observatory does have some small difficult spaces and the planned renovations will increase capacity and improve visitor flow. The RMG team were asked what plans there were to address the relatively low visitor numbers for the Queen's House. The Director stated that we have plans to increase our promotion of the Queen's House as an arts venue and destination as part of our marketing plans for the van de Velde exhibition.

The Head of Commerce and Visitor Experience completed her presentation by showing the Board some of the visitor comments we had received during the quarter. Trustees asked about the negative comments and whether there were common complaints. They were told that there had been some requests for foreign language audio guides and this was being addressed currently, some

comments about the cost of catering which is largely beyond our control due to current inflationary pressures.

There were no further questions or comments and the Board thanked the Head of Commerce and Visitor Experience for her presentation

9. Finance Report

The Executive Business & Operations Director stated that at the last Board we had presented a cautious picture in terms of our expectations for visitor recovery, but our decision to focus on improving the visitor offer had yielded positive returns as visitors were returning in greater numbers than anticipated. At the ROG we have had over three times more visitors than forecast with corresponding uplifts in income and the Cutty Sark is not far below 2019 numbers, domestic visitors having replaced many of our foreign customers. Trustees were shown re-forecasted figures and whereas we had been predicting a deficit of £3.183m we were now predicting a significantly smaller deficit of £464k.

Trustees asked if we were still being cautious in our forecasts and were told that this was probably the case, so there is a possibility that we can be even more optimistic at the next meeting after we have been through the busy summer period. The Chairman asked what plans were being made to ensure we do not underspend. The Director stated that the Activity Trackers and close and frequent budget scrutiny will mean that if some projects are delayed and funds not required, others can be activated.

The Directors were asked whether inflation had been accounted for in the figures and they confirmed that they had not been at this stage. The Director suggested that for the next meeting we should present Trustees with some risk analysis around inflationary pressures. The Chair confirmed that this would be beneficial and asked for it to be noted for the next meeting. No further points were raised and the Board thanked the Executive Business and Operations Director and **noted** the Finance Report.

10. Audit Committee Chair report to Board

The Chair of the Audit Committee provided a summary of his report which had been circulated to the Board prior to the meeting. The attention of the Board was drawn to the fact that the Audit Committee had kept a close watch on Internal Audit work, which due to staff changes during the year had fallen slightly behind schedule. Cyber risks were considered a top priority and the Committee would continue to monitor this area very closely. The quality of the Annual Report and Accounts was very good this year so thanks went to all those who contributed. Finally, the AC Chair thanked all the members of the Audit Committee (Joyce Bridges, Dr Fiona Butcher and Admiral Sir Mark Stanhope), for their contribution over the year. Particular thanks went to Joyce Bridges whose tenure as Trustee ended in March this year. The Board was informed that later this year we would be looking for two more Trustees as Audit Committee members. The Chairman of Trustees added that he had found the Audit Committee had provided a great insight into the running of the Museum.

There were no questions arising and the Chairman thanked the Chair of the Audit Committee for his report which was **noted**.

11. Pay remit 2022-23

The Director advised the Board that the London Living Wage was now being paid and since this fell into the last financial year, we are able to use this year's allocation of up to 3% for the rest of the staff. We propose to use this to pay an increase of 2% for the majority of staff, using the remainder to address areas of particular concern. The Director stated that we had developed a reputation as a low payer and whilst we may never be a high payer, we should at least aim to position ourselves as a fair payer.

Trustees agreed that benchmarking would be very important but expressed concern at a 2% pay increase for the majority when inflation is so high. The Director concurred but explained that our dilemma was deciding whether it is preferable to pay this lower increase now or wait and push for a better deal later which may or may not be successful. On balance the Directors felt that paying earlier would be preferable and after some discussion Trustees agreed, with the caveat that the Directors should first seek advice from our DCMS sponsor team as to the likelihood of achieving a better package.

The Director concluded by saying that whilst usually these deliberations would go through the Remuneration Committee on behalf of the Board, on this occasion we intended to keep the whole Board informed of progress.

12. ROG 'First Light'

New Trustees had been given a tour of the Royal Observatory and a brief overview of the aims of the project before the Board meeting. The Executive Creative Director remarked that we were hoping everyone would feel they could be an astronomer after visiting once the project is complete. We have been considering the ROG's unique position as a focal point for science, for heritage and as a museum. Before creating the briefs, we have been engaging with stakeholders, the creative community and with groups of young people to understand different perspectives and needs. We have also been looking at the outside spaces which are currently often seen as spaces with great views out to London; we want them to become areas of greater focus themselves. We are also aiming to make the shop and café spaces integrate better in the visitor journey.

The Executive Business and Operations Director reminded Trustees why we are undertaking this project: the reliance in the past on the Meridian Line as the main draw for visitors, particularly for foreign tourists, led to long term underinvestment in the visitor offer. By unifying the north and south sites, introducing single site charging and creating more useable spaces we are hoping to attract 1.5m visitors per annum once work is complete. Trustees were shown an overview of the project costs and outline timetable as well as a number of drawings illustrating the complexity of the site as it is currently and the potential areas for development. We are aiming to have some more developed plans to share with Trustees at the next meeting and to be in a position to go for Planning permission before the end of the year.

This section redacted in accordance with the Freedom of Information Act 2000 S. 36 prejudicial to the effective conduct of public affairs.

There were no further questions and the Chair thanked the Directors for their updates.

13. Development Update

The Head of Development informed the Board that the event at No 11 Downing Street in May had been very successful and contact was made with key funders. Since the last Board meeting we have gained two new ambassadors, Astronomer Royal Lord Martin Rees and Elijah Lawal, Head of Communications at Google. We have also had a pledge of support from the Royal Museums Greenwich Foundation.

This section redacted in accordance with the Freedom of Information Act 2000 S. 36 prejudicial to the effective conduct of public affairs.

We are planning a major donor evening at the Observatory early December (to align with Mars being in opposition) to move cultivation to the next stage. With Professor Martin Rees leading the evening, guests will have an opportunity to view Mars through our telescope followed by dinner in the Octagon Room.

Trustees were impressed by the work done to date and agreed that it was certainly worth involving BEIS at an early opportunity and also suggested that the Royal Society should also be contacted. There were no further questions or comments and the Chairman thanked the Head of Development for her update.

14. Neptune Court roof project

The Executive Business and Operations Director reminded Trustees that the Public Benefit Infrastructure Fund had in the past enabled us to refurbish the Colonnades and refit the Control Room, amongst other projects. In May this year we heard that we had been awarded £15.5m from this fund (over three years), £10m of which we plan to use to address longstanding issues with the Neptune

Court roof. The problems currently experienced are water ingress, excessive heat, poor acoustics and maintenance access difficulties. It is also extremely costly to replace the current panels; the replacement of four 2x2m panels recently cost £90k. The project should allow us to make the space more usable and flexible. We have looked at a number of different options from just repairing the existing roof to a complete replacement and have chosen to alter the existing roof, retaining the steel infrastructure.

Trustees were keen to understand the impact of the project in terms of closures and asked about opportunities to harvest energy. They were informed that closures should be limited to the Great Map area; we are not anticipating the closure of any of the surrounding galleries. Energy generating and saving options will certainly be considered.

There were no further questions and the Chairman thanked the Executive Business and Operations Director for his update which was duly **noted**.

15. Collections Disposal

The Board were asked to consider the proposed disposal of a Canewdon paddle to Southend Museums Service on the basis that it falls outside our Collecting Development Policy. Trustees **approved** this disposal.

16. Matters arising from the information in Volume B/AOB

The Chairman noted that due to the high number of items on today's agenda, the papers on Risk Management had been included in Volume B. However, as these represent a significant change in our risk management approach, these should be tabled at the next meeting.

There were no further matters arising from the Volume B papers and the meeting concluded.