

THE TRUSTEES OF THE NATIONAL MARITIME MUSEUM

THREE HUNDRED AND EIGHTY-SECOND MEETING

14.00 THURSDAY 20 JULY 2023

HELD IN THE BOARDROOM

MINUTES

Trustees present:

Lance Batchelor (Chair)
Professor Clare Anderson
Dr Fiona Butcher
Dr Helen Czerski
Sir Stephen Deuchar
Professor Julian Dowdeswell
Murdoch MacLennan
Alastair Marsh
William Nye
Professor Andrew Thompson

In attendance:

Paddy Rodgers	CEO, Royal Museums Greenwich
Chris Walker	Executive Business & Operations Director
John Avberhota	Head of People & Culture
Lucy Cooke	Head of Development
Jane Costantini	Governance and Museum Records Manager
Karen Eden-Tuxford	Head of Commerce & Visitor Experience
Andy Maidment	Sustainability Manager (for item 10)
Ray Flanagan	Senior Capital Projects Manager (for item 11)
Emma Snow	Design Manager First Light (for item 12)
Jeremy Hull	First Light Project Build Consultant (for item 12)

~Governance Session~

NB: The order of the agenda was altered to take the First Light item first as two Trustees had to leave the meeting early. The minutes reflect the agenda as scheduled.

1. Apologies

Apologies received from Gail Symington, Executive Creative Director.

2. Declaration of relevant interests related to this meeting

No relevant interests were declared.

3. Draft Minutes of Board meeting 381 of 20 April 2023

A small change to the wording in section 6 was requested. Otherwise, the Board **agreed** the minutes to be a true record of the meeting. The minutes were amended accordingly and certified by the Chair.

4. **Update on campaign for new Trustees and Board Apprenticeship scheme**

The Chair of the Remuneration and Nominations Committee informed the Board that since sending DCMS the role descriptions at the end of May there was no significant news to report. Trustees and management expressed their frustration at the length of time and bureaucracy involved in the Public Appointments process. It was suggested that the Board should consider writing to the Commissioner for Public Appointments pending the outcome of the Chairman's forthcoming meeting with the Permanent Secretary.

Next the Chair of the Remuneration and Nominations Committee introduced the Board Apprenticeship Scheme. Trustees **agreed** that this would be a very positive step, and whilst the mentoring role would be key, nobody raised any objections to pursuing this. As a result, the Governance Manager will contact DCMS to confirm the Board's interest in hosting an apprentice in 2024.

5. **Director's Report**

The Director reported that the financial year had started well with visitor numbers exceeding expectations. Our Front of House team provide high standards of customer service which is appreciated by our visitors. Our biggest risk is around people leaving due to their ability to cope financially at a time of significant inflationary pressures.

Trustees had no specific questions for the Director regarding his report which was duly **noted**.

6. **People and Culture update**

6.1 Pay review update

The Director had circulated a detailed proposal on the 2023/24 pay review for the Board to consider prior to the meeting. The Head of People and Culture provided an overview of the Pay Review process and a summary of the next steps planned.

Trustees had questions around the benchmarking methodologies used and were informed that Korn Ferry used relevant data on Public Services and Not-for-Profit organisations in preference to QGC's data from Visitor Attractions as the latter does not include most of the London National museums. The Board questioned the long-term sustainability of the proposed increases and were informed that the Executive Directors were comfortable with the proposal as a realistic and affordable first step. Trustees remarked that career progression for curators at RMG was not as clear as it should be and requested a future discussion around RMG's vision for curators. The Director agreed that we should look at the intellectual leadership of the organisation.

There were no further questions and Trustees **approved** the proposal set out by the Director in his paper.

7. **Visitor update**

The Head of Commerce and Visitor Experience informed the Board that we had welcomed just over 685,000 visitors this quarter, up 107,000 against the budget, with income from our charged sites just over £2 million. Membership income was £150,000 with 1200 new memberships this quarter. Retail sales generated over

£840,000, £68,000 above target. *This sentence redacted in accordance with the Freedom of Information Act 2000 s. Section 43(2) prejudicial to the commercial interests of a third party*

Trustees asked about the spend per visitor and the fact that it is significantly higher at the charging sites. They were told that charging sites typically do generate higher sales than the free sites, one factor being the large numbers of school children visiting the free sites. Trustees queried the rationale of outsourcing catering and were told that due to the high risks in running catering businesses, it was widely considered to be the safest approach in the museum sector.

The Head of Commerce and Visitor Experience drew the Board's attention to the fact that Travel Trade business now represents over a quarter of our visitors. She also explained that new more ambitious end of year forecasts had been made based on the results of the first quarter. The presentation ended with a summary of the comments received from visitors over the last quarter, some 350 in total, most of which were positive. The small number of negative comments related to value for money, particularly at the ROG, and around signage, both on site and off site which we shall pick up on.

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

8. Finance Update Report

8.1 June Management Accounts and Forecast Update

The Executive Business & Operations Director started his presentation by showing Trustees an image of the new playground scheduled to open this autumn. It is hoped that this will attract more visitors, not only to the playground, but to the museum and to the Parkside café terrace which is currently underused. He went on to inform Trustees that the better than anticipated visitor numbers were forecast to generate full year admissions income in the region of £8.7m, with visitor numbers and income at the ROG at 2019 levels.

Next he provided Trustees with an overview of the 2023-24 Management Accounts, drawing their attention to the fact that a grant of £2,950k had been made to the RMG Foundation out of self-generated income. He reminded the Board that when preparing the budgets at the start of the financial year, we had been predicting a deficit of just under £500k, whereas now we are expecting a surplus of around £1.5m. Lastly, he updated the Board on the RMG and RMGF Reserves position.

The Audit Committee Chair reminded the Directors that Trustees wished to understand the financial impact of reduction in scope of the First Light project during RIBA Stages 3 & 4 and the Executive Business & Operations Director undertook to provide this at the next meeting.

There were no further comments and the Chairman thanked the Executive Business & Operations Director for his Finance Report which was **noted**.

9. Audit Chair to Board report

The Audit Committee report to Board had been circulated to the Board prior to the meeting. The Chair of the Audit Committee stated that the Committee were happy with the work of the internal auditors and considered that they provided value for money. He informed the Board that the self-assessment exercise had been completed by the Committee and was largely very positive, with one point of action around training from the external audit team. He reported that the external auditors had been very complimentary regarding the RMG's work and responsiveness during the annual audit process and the preparation of the Annual Report and Accounts and asked that the Committee's thanks should be recorded and passed on to the Finance team, in particular to the Head of Finance.

10. Sustainability update

Trustees had received the draft Sustainability Strategy prior to the meeting. The Sustainability Manager reminded the Board that one of the seven primary aims in our RMG plan is to *"Engage with the environmental challenges facing our future" by "raising the level of consciousness around climate change and sustainable living; increasing the environmental sustainability of our sites and buildings" and "ensuring our ways of working meet our values around sustainability, integrating our approach to reducing human impact on climate change through all our activities."*

He provided an overview of the work done in the last year since he started in his role, one of the most significant being to establish baselines from which we can monitor our carbon footprint. He cautioned that due to more accurate data, we should expect our performance against targets to appear to worsen before improving over time. He informed Trustees that a decarbonization feasibility study had been carried out at Kidbrooke and we had been successful in obtaining funding from the Low Carbon Skills Fund for a similar audit to be carried out at the NMM, Queen's House and Brass Foundry buildings, meaning that we shall have a complete view of our sites in order to inform planning for improvements. Finally, Trustees heard that he was closely involved in both the Ocean Court and First Light project planning.

The Chairman thanked the Sustainability Manager for his presentation and, due to time constraints, suggested that any questions should be directed after the meeting via the Governance Manager.

11. Ocean Court update

The Senior Capital Projects Manager joined the meeting for this item. He provided Trustees with an overview of the glazing options being considered and the pros and cons of each. The Executive Business & Operations Director pointed out that photovoltaic glazing had been considered but was not recommended by the Executive on the grounds of poor value for money; aesthetics and poor performance in managing heat gain. It would also add to the weight of the structure and would impact not only on cost but also on the schedule of the project (c. an additional £1m and 6 months). Instead, it is recommended that we opt for a composite glazing system with integrated louvres and look to invest in more effective ways to reduce carbon consumption

elsewhere. Trustees **agreed** with this recommendation. The Board were informed that the project is on schedule to commence in March 2024 and to complete at the end of March 2025.

Next the Head of Commerce and Visitor Experience, Chair of the Senior Leadership Team meetings, informed Trustees of the work of seven working groups looking at the following areas: infrastructure – to ensure the project delivers on its objectives; the feasibility of removing some/all of the large objects from the 'streets'; the visitor route whilst work takes place; options to replace the Great Map; use of spaces to enable a continued public programme during works; wayfinding and use of the hoarding for messaging; Marketing and Communications.

Trustees suggested using the hoarding to create some kind of trail and the management team agreed that an imaginative approach to the hoarding would be desirable. The Board also emphasized the need to 'think big' in looking at the opportunities for creating a 'wow factor' in the transition from Neptune Court to Ocean Court. Trustees cautioned that with great attention being given to the ROG over the next few years, we should guard against unbalancing the appeal of the other venues. The Director agreed that there were opportunities for creating something quite special at the NMM for relatively small sums of money.

12. First Light update

The Design Manager and Project Build Consultant, First Light, joined the meeting for this item.

Professor Thompson, Chair of the First Light project Trustee Committee, provided Trustees with an update of the Committee's discussions since the last meeting. He told the Board that the Committee was preoccupied with two of the six key areas of focus identified by them, namely the financing of the project and delivering on our ambitions. The Board's attention was drawn to the Key Objectives matrix which would be shown to them later by the Design Manager, and which, although needing further work, does a good job in illustrating how each element of the project responds to the objectives articulated.

The Design Manager and Project Build Consultant took Trustees through the five design packages and four scenarios, where various design packages might be brought together, and then provided an overview of the proposed schedule.

Trustees asked whether a visitor route would be enforced and were told that visitors would be encouraged to visit the site in a particular order, but that it could not be enforced. The Director pointed out that tour group visitors were often on tight itineraries and only had time to visit the Meridian line so these sorts of visits should still be accommodated.

A question was raised regarding the possibility of staggering the works, separating the design packages prior to the planning application. The Project Build Consultant stated that we would have to apply for all the packages at the outset, even if we decided not to pursue all of the elements at a later stage. When asked if by opting for packages 1 to 3, we would complete the project

sooner, he confirmed that would be the case, however opting for packages 1 to 4 would not save much if any time over option 1 to 5.

Trustees discussed the funding situation, with concerns expressed over the challenge presenting us and the continuing increases due largely to inflationary pressures. Whilst it is felt that raising £40-£50m is achievable, finding the rest will be extremely challenging. It was **agreed** that a Fundraising Committee should be formed with some external expertise as soon as feasible to support the work of the RMG Development team.

A question was raised regarding costs incurred in working towards the complete project, if later it is decided that pursuing all elements is not desirable or affordable. Trustees were told that currently this was not a significant risk and there would be an opportunity at the end of RIBA stage 3 this autumn/winter to assess what is feasible.

Trustees also wanted to know the potential impact of archaeological testing. The Executive Business and Operations Director stated that if anything significant is found, this could impact on the feasibility of the proposed north underground gallery, and would, at the very least, impact on costs and schedule.

The Chair of the First Light Project Trustees Committee drew the discussion to a close by stating that the Committee would be focusing on the visitor experience, fundraising, and on the key risks, in liaison with the Audit Committee.

The Chairman thanked the project team for the work done so far and the considerable progress made since the last meeting and invited the Head of Development to give an update on the fundraising campaign.

The Head of Development provided Trustees with an overview of progress made since the last Board meeting. Most notably, the team had been successful in progressing through the Expression of Interest stage of the Heritage Lottery application. There have also been encouraging conversations with grant giving foundations as well as interest from the commercial sector. The Director added that the engagement team at DCMS are supportive and we are hopeful for support from them in the form of a grant and a loan.

Trustees asked how the division of the various elements of the project into packages might impact on the fundraising and were told that scenarios 1-3 would appeal to grant givers interested in increasing access opportunities, while the opportunities afforded by the underground galleries should attract tech companies.

Trustees recognised the significant progress made on fundraising and were particularly impressed with the news on the HLF application. The Chairman thanked the Head of Development for the work done so far.

The final comment from Trustees was around the need for greater clarity on timescales and commitment dates. The Chairman stated that more time should

be allowed by First Light in future Board meetings and it was **agreed** that another meeting should be convened at the end of RIBA Stage 3.

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

There were no matters arising from information provided to Trustees in Volume B and there was no other business.

Minutes certified by Lance Batchelor, Chairman

26 October 2023