

MEETING OF THE BOARD OF TRUSTEES

Kensington Palace, Wednesday 25th May 2012

Minutes

Present: Charles Mackay (Chairman)
Sophie Andreae
Dawn Austwick
Liz Cleaver
Lord Dannatt until item 7.3
Sue Farr
Jonathan Marsden
Sir Adrian Montague

Apologies: Sir Alan Reid (Deputy Chairman)
Sir Trevor McDonald
Ian Barlow
Malcolm Reading

In Attendance: Michael Day - Chief Executive
John Barnes - Conservation and Learning Director
Tania Fitzgerald - Finance Director
Paul Gray - Palaces Group Director
Danny Homan - Communications and Development Director
Alyson Lawton - Trust and Company Secretary
Ruth Gill - Head of Interpretation
Nigel Randall - Head of Information Systems
Chris Martin - Head of Development



Historic Royal Palaces is the independent charity that looks after the Tower of London, Hampton Court Palace, the Banqueting House, Kensington Palace and Kew Palace. We help everyone explore the story of how monarchs and people have shaped society, in some of the greatest palaces ever built.

We receive no funding from the Government or the Crown, so we depend on the support of our visitors, members, donors, volunteers and sponsors.

1. **Chairman's comments**
- 1.1 The Chairman noted the apologies received for the meeting. He would report comments from absent trustees in the relevant discussions of this meeting.
2. **Minutes from previous meetings**
- 2.1 The minutes of the meeting held on Wednesday 21st March 2012 were approved.
3. **Matters arising from previous meetings**
- 3.1 Lord Dannatt confirmed that the proposed designation of reserves amounting to £100,000 for works in St Peter ad Vincula at the Tower would address his request from the last meeting (6.2.1.1).
4. **Strategic Development**
- 4.1 **Strategic Aim; Transform the way visitors explore their story**
- 4.1.1 **Approaches to Site presentation and interpretation**
- 4.1.1.1 The Board noted the contents of the Chief Executive's Report. As every person's learning style is different, by using a greater interpretative range we can reach more people with our Cause. The Chief Executive explained that other heritage organisations were also thinking about new approaches to interpretation as a means to build audiences. The Board discussed the ambition and direction of travel as exemplified in our recent interpretation work. A range of views was expressed. Trustees fully recognised how much had been achieved. However for

some Trustees, certain elements and the degree of creativity worked less well than for others. Our Cause focuses on stories. They suggested that there may be additional and alternative approaches to satisfy our diverse national and international audience. We have rich material at our disposal and whilst it would be a challenge to meet all audiences' needs, the beauty of the palaces and the principal objects within them should always be a central consideration. The Chief Executive explained that the views expressed by the Board were mirrored within the organisation and there was active debate on these issues. The Board agreed that as a main plank in our domestic audiences work, interpretation needs to engage new audiences and motivate higher numbers of visitor. They accepted that not all of our work will appeal to everyone and might challenge some expectations. However we should not take any audience segment for granted. As royal palaces and national assets, interpretation must be appropriate. After full debate, the Board was content with the ambition and direction of travel proposed.

The Chairman noted that the matters reserved for the Board of Trustees was silent on the governance of interpretation. He asked the Chief Executive to reflect on Trustees' comments and propose how Trustees' involvement could be included within the overall governance structure.

4.1.2 Evaluation of Kensington – initial findings

- 4.1.2.1 The Head of Interpretation briefed the Board on the initial independent visitor evaluation of *Kensington – a palace for everyone*. The results had confirmed the initial impressions formed from other evidence with some encouraging overall headlines. There will be a more extensive evaluation when the July visitor exit survey is conducted. The bulk of the snagging and early post opening improvements will be completed by the end of this month. Other matters will take longer thinking. The project has achieved the ambition of a different audience mix and also significantly greater visitor numbers than planned. As yet, we do not know whether this is the steady state and whether we will need to accelerate plans for other themes in order to satisfy customer demand. The Chief Executive will keep the Board informed. The Board thanked Ruth Gill and the team for all their work.

4.2 The Digital Strategy

- 4.2.1 The Board noted the contents of the Head of Information System's paper on the purpose, outcomes and process to develop a strategy. Liz Cleaver challenged the terminology proposed. She felt that the Strategy had two elements: we need to know what we are going to do for our audiences (digital content) and then decide how we are going to do it (technology). We have creative and skilled staff doing good work already, but she felt the first element was also likely to need some external help to pull the content together at a strategic level.

Trustees noted that the vision needed to be developed, our ambition and priorities defined and the business re-processed to deliver it. A long-term question was the important balance between provision for the on-site visitor (before, during and after the visit) and the "non-site" visitor whose only contact with us would be via digital media. Jonathan Marsden noted that the curatorial activity should join up with the other activities in the Digital/New Media Strategy. He observed that this would develop into a core activity. Sir Adrian Montague suggested a role for focus groups to help define what people wanted from Historic Royal Palaces.

The Board endorsed the proposal noting that it was likely to take at least six months to get to the next stage and that external help needed to be considered.

4.3 Development

- 4.3.1 The Board noted the contents of the Head of Development's report. The Board agreed that Campaign I had been a success; the Campaign Board had been transformed under its Chairman Ian Barlow and the development team was more professional. The Chairman of the Board of Trustees, Charles Mackay, had also played an extraordinary role. We were now ready to prepare and launch Campaign II. Dawn Austwick noted that there was a risk that current issues relating to philanthropy would make this more challenging. She observed that what we do is socially important and we should make more of it. For instance, the "*All the Kings Fools*" project, although not large in scale, had quality and innovation. The palaces are national assets: we should be more ambitious in the scale of major donations and involve the Campaign Board and Chairman at a higher threshold.

The Board discussed the feasibility of the Campaign II target and agreed it was about right. The Board paid tribute to the achievements of Ian Barlow as Chairman of the Campaign Board, noting the plan for him to step down by 31st March 2013 in order for Campaign II to be shaped as well as led by a new chairman, who would be there throughout its five years. The recruitment process would begin shortly.

5. Projects and Expenditure

5.1 Mint Street

- 5.1.1 The Board noted the contents of the Tower Group Director's report which had focussed on the narrative for the forthcoming project in advance of seeking the Board's formal approval in September. Dawn Austwick felt that more about the objectives and the look and feel of an exhibition should have been included in this paper. It was agreed that this would be done in future briefing papers.

The Chief Executive explained that Mint Street will be contemporary interpretation in a fairly neutral historic space. It is being funded jointly with the Royal Mint and being developed in partnership with them. If Trustees wished to have a further briefing, they should contact John Barnes.

6. Monitoring Performance

6.1 The Chief Executive's Reviews for April and May

- 6.1.1 The Board noted the contents of the Chief Executive's Reports.
- The 2011 project "*All the King's Fools*" at Hampton Court Palace had now won the Museum and Heritage Award for Educational Initiative.
 - Project funding had also now been secured by the Royal Armouries for "*the Line of Kings*" at the Tower of London. This would be a project run jointly with the Royal Armouries.
 - The Royal Kitchens at Kew were now open for visitors and the Board formally recorded their congratulations to the project team for this achievement.

6.2 Financial Performance

6.2.1 The year end position

- 6.2.1.1 The Board noted the update on the year end position (still subject to audit).

6.2.2 Performance for the early weeks of 2012/13

- 6.2.2.1 The Board noted the contents of the report. It had been a good start to the year, although Hampton Court Palace and Kew had been performing less well than anticipated. The Finance Director felt that this was due in part to the recent poor weather and the disruption to weekend train service to Hampton Court.

6.2.3 The Reserves Policy

- 6.2.3.1** The Board noted the contents of the report and approved the continuation of the target for free reserves of £5 million, given the assessment of risks associated with key income and expenditure streams. The Board also approved the final year end designations of £10.9 million including carry-forward expenditure of £4.9 million.

7. Organisation and Governance

7.1 Audit Committee 14th March 2012

- 7.1.1** The Board received the minutes of the meeting held on 14th March 2012. A verbal report had been given at the last meeting.

7.2 Historic Royal Palaces Enterprises Limited (HRPE)

- 7.2.1** The Board noted the contents of the report and nominated Michael Day, or Tania Fitzgerald in his absence, to represent Historic Royal Palaces' interests at the AGM of HRPE Ltd on 15th June 2012.

7.3 Changes to the Register of Interests

- 7.3.1** The Board noted the changes to the register of interests.

7.4 The Remuneration Committee 25th May 2012

- 7.4.1** Sue Farr on behalf of Lord Dannatt, gave a verbal report. The main item had been Directors' bonuses for 2011/12 and targets for 2012/13. The recommendations had been agreed subject to some minor changes. She congratulated the Chief Executive and Directors on the successful year just completed.

7.5 Bank Account

- 7.5.1** The Board noted the contents of the paper on the proposal to open a new overseas bank account for receiving donations from abroad. This had been written in response to points raised at the last meeting. The Chairman briefed the Board on comments made by Trustees unable to attend the meeting and thanked Ian Barlow in his absence for his very helpful advice. The Board approved the proposal.

8. Any other business

- 8.1** A draft of the Annual Review would be circulated tomorrow for Trustees comment.

9. Next meeting:

Monday 18th June at Kensington Palace at 2.30pm for the approval of the Annual Review and Financial Statements.