

HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

The Minutes of the Board meeting of the Horniman Public Museum and Public Park Trust held on Thursday 7 July at the Blue Fin Building, Southwark.

Present

Eve Salomon (Chair)
Judy Beard
Hilary Carty
Geoffrey Crossick
Bunt Ghosh

Nico Iacuzzi
Sarah Kemp
Clare Matterson
Carole Souter

Janet Vitmayer (Chief Executive)
Paula Thomas (Board Secretary, Finance Director)
Tim Corum (Director Curatorial and Public Engagement)
Victoria Pinnington (Director Communications and Income Generation)
Kirsten Walker (Director Collections Management and Special Projects)

1. Apologies for absence and conflicts of interest

Clare Paterson and Molly Jackson sent their apologies.

The Chair informed the Board that this would have been Clare Paterson's last Board meeting. She has been invited to lunch before the next meeting in October, to give trustees an opportunity to say farewell and make a small presentation.

No conflicts of interest were declared.

2. Appointment of trustees

The Chair reported that the Secretary of State for Culture, Media and Sport had selected for appointment the following as trustees:

- Caroline Cole
- Bunt Ghosh
- Nico Iacuzzi

The Chair also reported that Carole Souter had agreed to be appointed as a trustee.

The Board agreed these appointments which will be confirmed at the AGM in October.

The meeting discussed the setting up of a Trustee Development Group with a focus on working up ideas to for non-grant funding. It was agreed that management would think about what they needed and would be most helpful. Individual trustees were asked to contact the Chair to indicate their willingness to be part of this group. An initial meeting would be called to brainstorm ideas. Notes of issues discussed would be provided for information to the Board.

3. Minutes of the previous Board meetings and matters arising

3.1 The minutes of the Board meeting of 19 May 2016 were agreed and signed by the Chair.

3.2 Matters arising and action points

- There were no matters arising not covered by the agenda.
- Action point re India discussion – it was confirmed a meeting is being set up.
- All other action points had been completed or had not yet reached the completion date.

3.3 Strategy Day follow-up

The Executive will bring proposals for an outline 10 year strategy and next steps to the October meeting.

A Trustee Group, comprising the Chair, Carole, Clare and Bunt, had been set up to provide advice and support the Executive in this.

4. Management Report

The Chief Executive introduced the management report for April - June and updated the trustees on Government level issues discussed at the recent National Museum Directors Conference (NMDC) and DCMS meetings. There are several reviews going on at the moment:

- i. 'The Museum Review' commissioned by DCMS. This comprises the following elements:
 - A review of the entire museum framework across England.
 - A review of nationally funded museums (including the Horniman).
 - A review of regional museums.

No additional funding is expected but the idea of tax breaks similar to those available in the film and theatre sectors is being considered.

- ii. A review of ACE. This is due to report in October 2016 in time for the start of ACE's next funding round bids.
- iii. A review of HLF. This is not due to begin until the autumn.

The following matters were also discussed:

- Audience Agency (AA) Visitor Survey: the CEO reported that the annual report was unsatisfactory as some of the data was contrary to experience and actual facts e.g. reduced visits to the Aquarium and use of the café. It appears that the main reason for these discrepancies is that no account was taken of the refusal rates to reply to the survey from repeat visitors. Other museums have reported similar problems. A warning has been put on data sent to ACE and the data removed in the Annual Report and Accounts and other documents, where they relate to results from the Visitor Survey. A decision has been taken not to use AA further for collecting annual survey data.
- The reduction in Visitor numbers in April and May: it was reported that other ALVA bodies are reporting similar reductions in these months but an increase in June. This is widely attributed to most of the Easter and half term holidays falling outside this period this year.
- CPS Fundraising gap: what is the confidence that this will be raised? Confirmation of a £90k grant from the Designation Development Fund had been received today reducing the gap to £635k. Notification of an initial

pass for the Guy's and St Thomas's Health Innovation Fund (£147k bid) has also just been received. Some other smaller bids have been or will be made to other Trusts and Foundations and fundraising from individuals, corporates and the public will shortly commence. However it is likely that the full amount may not be raised. The gap is underwritten by £600k from reserves and a loan facility from London Borough of Lewisham, although it is unlikely that the latter will be required.

- Membership retention rate: it was noted that the overall average retention rate is incorrectly calculated. This will be reviewed and revised.
- The effect of Brexit on the Horniman: the CEO and Chair had recently attended a meeting at DCMS and the main immediate concern in the sector seemed to be for EU nationals employed in museums. NMDC had issued a statement about the importance of global reach and connections with Europe. There will be a loss in EU grants but the museum sector is less reliant on these than universities for example.

Management accounts

The following matters were noted:

- It is still early in the financial year so it is difficult to draw many conclusions and some of the year end reversals have not been put through.
- The trial move to profiled budgets is in its early stages and it is currently difficult to establish whether variances are genuine or due to inaccurate profiling. It was suggested that budget holders should be provided with additional training and feedback to improve the accuracy of profiling. The new system will be reviewed after twelve months as agreed with the Audit Committee.
- The main differences arise from additional income from the Dinosaurs exhibition, CPS grant not yet claimed and the Finchcocks acquisition which wasn't in the original budget.

5. Capital budget

The Trustees reviewed the capital expenditure budget. The following issues were noted:

- There is a 10% contingency allowed for both the Clinker Concrete and Conservatory and 5% for the Butterfly Garden. Other amounts in the capital budget are not fully allocated so would be available as additional contingency if necessary.
- The organisation's capacity to manage the three complex capital projects which must be completed by 31 March 2017 has been identified as a risk on the risk register and a tender has been issued for a Project Manager to manage these projects. This cost is not specifically included in the budget but the funding for this will be identified once the likely cost is known.

Butterfly Garden:

- Although some local opposition is possible when the Butterfly Garden goes to planning this has been allowed for in the timetable.
- It was agreed that a period of review of the success of the Butterfly Garden needs to be built in so that any failures can be addressed in a timely manner. This will be put on the Board agenda for October 2017.
- The income modelling had assumed a level of visits similar to the Plantastics temporary exhibition, rather than being based on capacity. The Butterfly House will be slightly larger than the Temporary Exhibition space and the temporary exhibitions had never reached full capacity.

- A programme for Schools would be developed and charged for, but no income had currently been included in the income model, which had been prepared on a conservative basis.
- The proposed pricing was the result of some commissioned consultancy work, and had included research across similar offers.
- The effect on audience demographics and diversity across the museum and gardens would need to be monitored.

The capital budget was approved by the Board.

The Chair reported that she had asked Bunt and Caroline to sit on a new Project Board to oversee progress and report to the full Board on these projects along with the CPS project.

6. Staffing proposal

The business case for changes to the Visitor Services Department was presented to the Board.

It was noted that although there was quite a long payback period the changes were not proposed for cost saving reasons alone.

Trustees were given reassurances that steps were being taken to manage the reputational risk largely through communications, working with the union and allowing as much flexibility as possible.

The possibility of deferring the proposal until after the completion of the CPS project was considered but had been discarded as it was thought that it was preferable to make the changes during a quiet period which would occur this autumn.

The trustees approved the use of reserves for this purpose.

7. Risk Register

The Board reviewed the Risk Register, noted the new risks and confirmed that it was happy that it covered all significant risks. The following comments were made:

- As all risks are amber no particular risks stand out and it is difficult to focus on any in particular.
- C3 – the impact has only been assessed as 3 (= moderate) on a short/medium term basis as funding has been confirmed under the CSR and substantial cuts are not expected.
- C2 – the risk arising from the pension deficit has increased due to the impending triennial valuation and the economic climate. This will be reviewed by the Board at the February meeting.
- D1 – it was confirmed that the museum carries out evacuation drills involving the public.

Following an Audit Committee recommendation it was agreed that D2 would be looked at more closely at the next meeting. The Executive would provide more detail about the risk and measures to control/mitigate.

8. Audit Committee

8.1 The Chair of the Audit Committee presented the Audit Committee's Annual Report to the Board. This summarised the Committee's work for the year and recommended acceptance of the financial statements to the Board, based on its own consideration of the financial statements, internal audit findings, the audit report

issued by the external auditors which indicates an unqualified audit opinion and other sources of assurance.

The Board considered the procedures in place to give trustees confidence that they have fulfilled their statutory duty of disclosure to the Auditors and agreed that the letter of representation to the Auditors should be signed on behalf of the Board by the Chair and Accounting Officer.

The Chair of the Committee confirmed that the Audit Committee was happy with the service provided by both the internal and external auditors.

The Health and Safety annual report was noted by the Board.

Paula was thanked for her work on the finances during the year.

8.2 The Chair of the Audit Committee presented the minutes of the meeting on 10 June. The meeting had considered the internal audit review on Safeguarding. One of the recommendations raised concerned DBS checks and the committee had suggested that DBS checks be obtained for trustees. The Board agreed to this in principle and that all future recruitment of trustees should include a requirement for a DBS check. It would be carried out for current trustees unless they notified their objection to the Chair.

9. Reserves Policy

The Board reviewed and approved the Reserves policy, which had been considered and recommended by the Audit Committee, as follows:

- The continued designation of £600k for the Museum Development, specifically the CPS project.
- A minimum of £500k Free Reserves.

The proposed usage of reserves and forecast balance at 31 March 2017 was reviewed and agreed, including the use of £56k for the revenue costs of the Butterfly Garden.

10. Annual Report and Consolidated Financial Statements

The Board discussed and approved the Annual Report and Consolidated Financial Statements for the Horniman Public Museum and Public Park Trust for the financial year 2015/16. The Board had particular regard to the statement on risk, with which it was satisfied.

The Board considered the suggested wording of an 'Event after the Balance Sheet date' note received from DCMS concerning the result of the EU Referendum and decided not to include it. The auditors had confirmed that they did not require such a note.

Thanks were expressed to the Executive and Finance teams for an excellent report.

11. Annual monitoring reports

The Board received and noted the dashboard and reports for 2015/16 monitoring key achievements, visitor numbers and workforce data.

The following matters were raised:

- It was noted that there was a new Digital Manager, who is reviewing the Digital Strategy and a revised version will be brought to the February meeting.
- The age and disability profile of staff of volunteers is good compared with other organisations.
- Low number of training days is largely due to a problem in getting staff to record them on the HR system.

12. Horniman Museum Enterprises

The annual report was presented by the Director, Communications and Income Generation. Highlights include:

- The shop had a good year with increased profitability. The Kids Handbook was successfully launched and has been well received. A shop refit is almost complete and a new product range will be launched shortly.
- The café had a strong year and reaped the full benefits of the new café terrace.
- Venue hire performance dipped largely due to the lower performance of our external contractor. Business has now picked up for 2016/17 and bookings are strong for 2017/18. More bookings for other events are being taken in house.

13. Disposal proposals

The Board approved the list of disposals presented and noted that the reason for some of these was that they did not fit in with the Horniman collections.

14. Any other business

The Chair of the Audit Committee reported that she had recently met Ketil Haugsand, a Norwegian harpsichordist, who also makes and restores harpsichords. He expressed an interest in the Horniman and offered to come and play. This also offers possible opportunities for other development work with the Norwegians. It was agreed to pass his name on to the Deputy Keeper of Musical Instruments.

There was no other business.

15. Date of next and future meetings:

1pm	13 October 2016 including AGM
1pm	9 February 2017

PT
20/07/16

Summary of Action Points from Board meeting of 7 July 2016

Minutes ref:	Action	Date due	Who by	Progress
b/f	Chair to attend Youth Panel meeting	Oct 16	ES	Attended Sept. 16
b/f	Discussions to be held re India	Oct 16	TC/SK/CM	
b/f	Review and report on Fundraising	Oct 16	JV/VP	Oct. agenda item
2	Interest in being part of a Development Group to be notified to Chair	Oct 16	trustees	Report at Oct. meeting
3.3	10 year Strategy to be put on October agenda	Oct 16	PT	Oct. agenda item
4	Membership retention rate to be recalculated	July 16	PT	Rate adjusted.
5	Review of Butterfly Garden	Oct 17	PT/VP	
7	Review Pension Deficit	Feb 17	PT/JV	
7	Look at risk D2 in more detail at next meeting	Oct 16	JV	Oct. agenda
14	Pass on name of Norwegian Harpsichordist to Deputy Keeper Musical Instruments	July 16	SK/PT	Actioned

