



Historic Royal Palaces is the charity that looks after:

**Tower of London
Hampton Court Palace
Banqueting House
Kensington Palace
Kew Palace
Hillsborough Castle
and Gardens**

We help everyone explore the story of how monarchs and people have shaped society, in some of the greatest palaces ever built.

We raise all our own funds and depend on the support of our visitors, members, donors, sponsors and volunteers.

Minutes

Meeting name: **Board of Trustees**

Date of meeting: **Tuesday 25 August 2020**

Location: **In person Apt 44, Hampton Court Palace and via videoconference**

Attendees: Rupert Gavin (Chairman), Zeinab Badawi, Lord Houghton, Sarah Jenkins, Jane Kennedy, Tim Knox, Carole Souter, Sir Michael Stevens, Robert Swannell, Dr Jo Twist, Sue Wilkinson,

In attendance: Nicola Andrews, John Barnes, Jane Crowther, Gina George, Rachael Gilleard, Sue Hall, Tom O'Leary, Adrian Phillips,

Apologies: Professor Michael Wood, Andrew Jackson, Dan Wolfe

1. Opening business

- 1.1 The Chairman welcomed Trustees and the Executive to the meeting, explaining that the main focus of the meeting was to discuss the proposed organisational re-structure of HRP and the resulting staffing changes.

Apologies were received from Professor Michael Wood.

- 1.2 Regarding conflicts of interest, Jane Kennedy is a Senior Partner of Purcell. Purcell has been selected as the architect for the build of the Orangery Learning Centre at Kensington Palace. Tim Knox is partner of Todd Longstaffe-Gowan and Secretary of Todd Longstaffe-Gowan Ltd, which provides landscape design services for HRP. Todd Longstaffe-Gowan is also an Honorary Patron of HRP. Carole Souter is Chair of the National Trust/University of Oxford Partnership Board and is chairing the Oxford University Oriel College Commission into the Rhodes legacy, of which Zeinab Badawi is a member. Robert Swannell is Chairman of UK Government Investments.



1.3 The minutes of the meetings of 10 July and 15 July were approved.

2. Business update

2.1 Re-opening of the Tower of London and Hampton Court Palace has been going well, and both have been operating at or above break even. The re-opening of Hillsborough Castle and Gardens has also been well-received. Kensington Palace is not yet breaking even; a decision on the future opening regime will be taken in the autumn.

Staff have been excellent – as reflected in visitor feedback – and have not raised any operational or other COVID-related issues. Naturally, staff are working with a spectrum of personal concerns, and the teams are attuned to this.

2.2 *Staffing*

C. 75% of staff remain on furlough, and staff are being brought back only where strictly necessary. It is likely that HRP will continue to furlough staff after the government scheme ends, to allow a proper phased return for staff who have not been at the palaces since March. Offices will remain closed for the foreseeable future to save costs, although shared spaces for team ‘days in’ will be provided from early next year.

The voluntary redundancy programme has been more successful than originally anticipated, with 165 so far taking it up. A large number of staff have also volunteered to work part-time, although these need to be in place over the medium/long term in order to be financially viable. The Executive is preparing documents and communication to launch the proposed re-structure (subject to the Board’s approval) in mid-September. The Trade Unions have indicated what they will want to see in the consultation period. In terms of our supplier partners, staff of which have been working at the palaces for a long time, our relationship remains good.

2.3 *Government funding and spending review*

Some funds have been received from the National Lottery Heritage Fund to contribute to the re-opening costs for Kensington Palace and Hillsborough Castle and Gardens. We are also applying for a loan from the Culture Recovery Fund. We have decided to apply for a loan rather than a grant, as the amount can be greater, the terms are generous and we are confident in being able to repay once recovery is underway.



3. Financial update

- 3.1 Sue Hall presented the current forecast, which has been slightly amended to reflect the lack of confidence in the degree to which, and when, overseas visitors will return. There have also been some increases in operating expenditure to reflect a prudent approach to re-starting operations.

Declaring a conflict of interest, Sir Michael Stevens asked about future exhibition planning. John Barnes explained that decisions on future capital projects will depend on the success of the Culture Recovery Fund loan application. HRP will also be applying for a grant to complete the Orangery at Kensington Palace. If this is successful, we expect to complete the work in time to mount an exhibition in June 2021.

4. Re-organisation and staffing reductions

- 4.1 John Barnes and the Executive presented the proposed re-organisation and explained the implications for staffing and staff numbers. On average, through a combination of measures, there is a proposed reduction in FTE and payroll costs in each department but the proposals have been designed to retain all the skillsets currently within HRP. In Palaces and Collections, where there are staff whose knowledge would be difficult to replace, some part-time working is being proposed to maintain this.

The Board considered the proposals and discussed the following points:

The proposed terms for compulsory redundancy are less generous than for voluntary but are above the statutory minimum. Some staff have contractual terms that are more generous, and notice has been given on those terms. Current vacancies will be removed from the structure and this has been taken into account in the proposals.

In terms of technology and digital skills, these are mainly being consolidated into two areas. It is recognised that HRP needs to develop a technology infrastructure strategy.

The Executive has started mapping out what the 'new' organisation will be like. It is recognised that there will be a moment to move from the current situation into a new, re-focused, organisation, and that this must be accompanied by appropriate leadership and support. The new Performance



Framework remains relevant and will be instrumental in enabling the change. The Executive plan to present the new structure to staff on 14 September. The aim is to complete the programme and be ready with the 'new' HRP in spring 2021.

Thanking the Executive for the significant thought that has gone into the proposals, the Board approved the re-structure and the re-organisation programme, encouraging the Executive to complete the redundancy programme by Christmas if possible.

5. Any other business

None.

Next meeting, 9.30am, 1 October 2020.

