



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: **Wednesday 18 September 2019**

Location: **New Armouries meeting Suite, Tower of London**

Attendees: Rupert Gavin (Chairman), Zeinab Badawi, Lord Houghton, Sarah Jenkins, Jane Kennedy, Tim Knox, Carole Souter, Robert Swannell

In attendance: Nicola Andrews, John Barnes, Andrew Jackson, Sue Hall, Rachael Gilleard, Tom O'Leary, Adrian Phillips, Dan Wolfe, Aileen Pierce (item 3)

Apologies: Sir Michael Stevens, Sue Wilkinson, Professor Michael Wood

### 1. Opening business

- 1.1 The Chairman welcomed Trustees to the meeting, including Sarah Jenkins and Robert Swannell, who were attending their first Board meeting. Apologies were noted from Sir Michael Stevens, Sue Wilkinson and Professor Michael Wood.
- 1.2 Jane Kennedy reminded the Board that she is a Senior Partner of Purcell. Purcell has been selected as the architect for the build of the Orangery Learning Centre at Kensington Palace. It was also noted that Tim Knox is partner of Todd Longstaffe-Gowan and Secretary of Todd Longstaffe-Gowan Ltd, which provides landscape design services for HRP.
- 1.3 The minutes of the meeting of 17 July were approved. From the outstanding actions, Adrian Phillips reported that there will be a review of the Hillsborough Castle and Gardens project in October, which he will then discuss with Jane Kennedy and Carole Souter. The impact of implementing the London Living Wage for all permanent employees of CH & Co. will be assessed in autumn 2020. Various development and fundraising items will be discussed by the Board in November.

### 2. Monitoring performance

#### 2.1 *Chief Executive's report*

From the August report, John Barnes drew the Board's attention to the conclusion of the annual pay review. The Board recognised that



the pay settlement was generous and that opportunities should be found to reinforce this message to staff. John Barnes informed the Board that a new HR Director had been appointed and will start on 6 January 2020. The new HR Director will evaluate the current pay structure.

The Board was also alerted to a communication from the Charity Commission about serious incident reporting. This communication has also been received by other charities. Serious incident reporting is being reviewed by the Executive Board, and a full report will be brought back to Trustees in November. The matter will also be discussed by the Audit and Risk Committee.

John Barnes informed the Board that the Hampton Court Palace mains electrical infrastructure phase two works will start in October. The Board had previously received a request to approve the investment and agreed, on the basis that the cost was within £1.2m plus VAT. The Executive Board subsequently agreed that the negotiations had concluded satisfactorily and the work could proceed.

The Board noted that the Executive Board had approved work to the Sunken Garden at Kensington Palace. The work is part of a wider scheme of improvement to link the landscape outside the palace thematically, which also includes conservation of the Orangery and re-design of the Orangery Garden.

Zeinab Badawi asked whether more could be made of the Deidre Murphy Research Fellowship and John Barnes explained that this would support the 2021 exhibition to Kensington Palace.

Robert Swannell noted that Hampton Court Palace visits and visit income was behind budget. Nicola Andrews explained that the team was monitoring this very closely and looking at events and offers that could drive repeat visits and boost numbers.

The Chairman asked about the reach of the Channel 5 series *Inside the Tower of London*, Dan Wolfe explained that the first series had been sold to Canada, Australia, New Zealand and Japan.

The progress of major projects was noted.

## **2.2. *Financial performance***

The Board noted the monthly management information report. Income is down, mainly due to below-budget retail sales, although these have recently improved. Operating expenditure is below budget, so currently we are forecasting no significant change to the planned year end position. The Board asked that the management report reflected the 'strategic' position of the organisation, by putting current financial performance in the context of the three year financial plan.

Sarah Jenkins noted the reliance on visit income and asked about plans to monetise off-site and on-line assets. John Barnes explained that one of the priorities is to achieve greater reach



off-site and on-line but that it is early days and there is no significant income stream yet. However, prompted by the technology item at the strategy session the day before, he would now consider whether monetising activities from the outset would be wise.

The Board asked whether there was any overwhelming reason for current retail performance. Sue Hall explained that it was due to several factors, including difficulties with the installation of a new retail system. There will be opportunity for detailed discussion of the retail and catering function when a report is presented at the next meeting.

### 3. Banqueting House core story and representation and Rubens ceiling

3.1 The Board received a presentation on the Core Story for Banqueting House and an update on the direction of travel on the re-presentation. The Board gave a range of comments, including:

- To what extent is conservation of the ceiling HRP's responsibility? John Barnes stated that it was, and that the proposed conservation offered the potential to turn this duty into a benefit.
- The Tower entry project is another significant project, which is as yet undefined in terms of cost; multiple demands for funding need to be reconciled.
- Lord Houghton, declaring his interest as a Trustee of RUSI, asked whether areas of mutual interest had been explored with the organisation.

The Board noted that the scope and business case for the plans for the Banqueting House, with details of the fundraising plan, will be brought back to the Board in January 2020.

### 4. Tower Vaults immersive experience

4.1 The Board received an update on the proposal to create an immersive experience in the Tower Vaults, with a commercial partner and agreed that the work should continue as outlined.

### 5. Procedural matters

5.1 *Investment decision for the Kensington Palace Queen's Apartments electrics*

The Board approved the investment decision in the sum of £1,266,850 plus VAT (£1,436,610). The Board also agreed to the further client provision of £75,000 plus VAT, which will not be committed unless needed.



5.2 *Extension of the cleaning and waste management contract*

The Board approved extension of the existing cleaning and waste management contract on the terms proposed and on the understanding that there will be a full re-tender exercise in 2021.

**6. Organisation and governance**

6.1 *Visit counting*

The Board agreed the further steps to present an accurate account of the numbers of visitors who come to the palaces, and a revised visit target for the year.

6.2 *The governance of project budget overruns*

The Board agreed the proposed new process for dealing with project budget overruns that arise between Board meetings. John Barnes will discuss the role of The Audit and Risk Committee in this process with Sir Michael Stevens.

6.3 *Register of interests*

The Register of Interests was noted.

**7. Any other business**

7.1 The Board discussed the strategic session held the day before, and agreed that it had been an excellent and thought-provoking meeting. Several areas for further discussion/ exploration emerged:

- Visual identity – the executive team will work further with Superunion on this and Sarah Jenkins has kindly offered to assist.
- At their own away days, the Executive Board will further explore HRP's responses to the challenges and opportunities of technology, sustainability and ensuring that multiple voices are expressed in our work, and build these into the new strategic plan.

The Chairman asked for further consideration to be given to assessing customer experience of HRP in comparison to the customer experience of our competitors.

*The next meeting will take place on 20 November, at the New Armouries, the Tower of London.*

