



**HISTORIC ROYAL PALACES**

## **Minutes**

Meeting name: Board of Trustees

Time and Date of meeting: 9.30am, 30<sup>th</sup> September 2021

Location: New Armouries Conference Room, Tower of London

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

In attendance (HRP): John Barnes (JB), Nicola Andrews, Jane Crowther, Sue Hall, Andrew Jackson, Tom O'Leary (To'L), Adrian Phillips, Dan Wolfe (DW), Lorna Hudson, Rosie Baines (minutes), Rhianon Goddard (from item 10 only)

In attendance (external): Bradley Pritchard

Apologies: Michael Wood

### **1. Opening Business**

- 1.1.** The Chairman welcomed the Trustees and the Executive to the meeting. Bradley Pritchard, who is being mentored by Robert Swannell, was also introduced. Regarding conflicts of interest, 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
- 1.2.** The Minutes from the meeting of 20<sup>th</sup> July 2021 were approved, with one amendment noting that Jo Twist sent her apologies for this meeting.



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- 1.3. All actions from the previous meeting are complete, aside from 5.3.2 which is still in progress.

## **2. 2020-21 Accounts Assurance**

- 2.1.** Trustees noted that the NAO Audit Completion Report is still unfinalised, but with indications that an unqualified audit opinion will be issued.
- 2.2.** The Timetable for signing of accounts by all parties is on track to complete by w/c 18<sup>th</sup> October.
- 2.3.** Trustees discussed the ratings given in the Annual Report of the Audit & Risk Committee, taking into account the demands of the past year. While most areas gained a Moderate rating in 2020-21, improvements are already being seen across the Board this year due to the palaces now being reopened and outstanding actions being completed.

2.4. The Governance Letter was noted by Trustees.

2.5. ARC is content to recommend that the draft financial statements are approved by Trustees.

## **3. 2020-21 Trustees Annual Report and Accounts**



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- 3.1.** The Accounts were taken as read. Trustees noted the devastating impact of the Covid-19 pandemic which decreased both HRP's income and reserves, and which will continue to have a considerable effect on the current year's accounts.
- 3.2.** Trustees accepted the Accounts and agreed that they should be signed off as planned assuming that the final NAO opinion is in line with the draft Opinion.

#### **4. Monitoring Performance**

- 4.1.** The papers were taken as read.
- 4.2.** A strong summer across all Palaces means that we approach Autumn in a better position than anticipated. All main sites are ahead of budget, providing lifts to income as well as staff motivation with many now returning to offices.
- 4.3.** All major summer events and planned filming activities have been delivered. Trustees discussed the strong forward bookings in this area, seeking assurance that HRP resources will be adequate. DW confirmed that the Palaces Operations teams are working with Commercial on this, to ensure budget is utilised and levers identified to give flexibility where needed.
- 4.4.** Trustees considered the effects of recent events such as adverse weather and petrol shortages on visitor trends. It was noted that such events present opportunities for targeted marketing - the more agile we are, the more effectively we can respond.
- 4.5.** Final Commitments for the Layered Reality project will be signed off imminently. An additional service charge for maintenance work to the Vaults has recently been levied from Fishmongers, which we have agreed will be paid off over a four-year period.



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## **5. Restatement of Corporate Strategy**

- 5.1. The paper was taken as read.

## **6. Financial Assumptions**

- 6.1. The paper was taken as read.

- 6.2. Our previous assumptions for 2022-23 were made at the time of the CRF loan application, following which the situation has changed substantially. Visitor numbers, income and expenditure forecasts will be reduced, although more recent trends have shown an improved outlook. It is expected that we will still achieve a zero net contribution to projects (breakeven) next year.
- 6.3. Trustees noted that recent prospects for inflation should be taken into account for OpEx figures, as well as when setting ticket prices.

## **7. Briefing on Digital Programme**

- 7.1. The paper was taken as read. TO'L presented on the current and future scope of the Digital Greater Reach programme.
- 7.2. With limited resources at the present time, Trustees discussed the investment needed to deliver on our ambitions. It was agreed that priorities should be established, such as for business-essential systems.
- 7.3. Trustees agreed that the planned Augmented Reality collaboration for the Platinum Jubilee showed great potential to place us at the forefront of this technology in the cultural sector.



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- 7.4. Education was cited as an area where organisations can collaborate rather than compete – Trustees asked TO'L to consider the possibilities in this area.
- 7.5. The Digital & Technology Working Group will continue to review these matters with the Executive.

## **8. Update on Diversity, Inclusivity and Equality Report**

- 8.1. The paper was taken as read.
- 8.2. Trustees discussed the findings from the recent Staff Listening Exercise, noting that engagement of 60% engagement is a positive figure for a first-year exercise. It was agreed that we must be clear on actions agreed to address the issues raised - this cannot rely on figures but must deliver meaningful cultural change.

## **9. Update on Sustainability Programme**

- 9.1. The paper was taken as read

## **10. Platinum Jubilee Investment Decision**

- 10.1. The paper was taken as read. TO'L presented on the final plans for the Jubilee celebration, with plans for the legacy to follow at the next Trustee Meeting.
- 10.2. Trustees sought reassurance that concurrency assumptions are being thought through, to minimise impact on other commercial events at the Tower during this

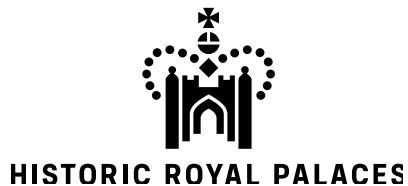
period. A subgroup has been set up to deal with this area, and there is a block on external activities during the period of the installation.

- 10.3. Trustees noted the importance of PR this Autumn as first announcements are made, particularly given the likelihood of Development opportunities in this period.
- 10.4. Trustees discussed the request to approve the whole investment, noting that it may be more prudent to take the permanent ramp as a separate item at a later time. Trustees approved this adjusted proposal for £6.3m investment not including the permanent ramp, with the assumption that £0.3m will continue to be subject to value engineering.

Sarah Jenkins left the meeting at this point.

## **11. Governance Matters**

- 11.1. The updated Matters Reserved for the Board were approved
- 11.2. The Charities Commission response to HRP's Research Statement was noted.
- 11.3. The ARC Minutes from 8<sup>th</sup> July were noted. Plans for mandatory staff cyber security training are in train
- 11.4. The first Digital & Technology working group meeting has been held, with discussion covering first principles of the group, and the need for resources and investment in this area.
- 11.5. Discussions are beginning regarding the Trustee vacancies to be filled when Carole and Zeinab's tenure end in Spring next year. Role Specifications will be broadly similar to those used previously for these vacancies.



**11.6.** Trustees broadly agreed with the adjusted wording of Royal Charter objects. JB will reflect on finalising the text and progressing the overall amendments.

## **12. Any Other Business**

**12.1.** This will be Sue Hall's last Trustee meeting as Finance Director. Trustees thanked Sue for her support, particularly during the period of the Covid-19 pandemic.

**12.2.** The Executive left the meeting. Trustees discussed the upcoming departure of Sue Hall, and the implications for the Finance Director position.

Next meeting: 19<sup>th</sup> January 2022, 9.30 am

## **Meeting Actions**

<b>Item</b>	<b>Action</b>	<b>Whom</b>	<b>Status</b>
N/A	N/A	N/A	N/A