



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 15 January 2020**

Location: **Cambridge Cottage, Royal Botanic Gardens Kew**

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, Professor Michael Wood

In attendance: Nicola Andrews, John Barnes, Jane Crowther, Gina George, Rachael Gilleard, Sue Hall, Andrew Jackson, Tom O'Leary, Adrian Phillips, Dan Wolfe, Rachael Mackay (item 5), Aileen Phillips (item 4), Liz Young, (item 6), Simon Daniels (items 7,8)

Apologies: None

1. Opening business

- 1.1 The Chairman welcomed Trustees to the meeting, and Jane Crowther, new Human Resources Director, to her first meeting. The Chairman congratulated Sue Wilkinson on her OBE for services to literature and public libraries.
- 1.2 Regarding conflicts of interest, the Chairman reminded the Board that 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. 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. Todd Longstaffe-Gowan is also an Honorary Patron of HRP. Carole Souter informed the Board that she is Chair of the National Trust/University of Oxford Partnership Board.



- 1.3 The Board reviewed and approved the minutes of the previous meeting.

Considering the actions, Sir Michael Stevens asked whether any targets had been set for service improvement by CH&Co and that the team clear on what is being measured before reporting back to the Board.

2. Monitoring performance

2.1 *Chief Executive's report*

From the December/ January report, John Barnes drew the Board's attention to the lessons learned from the Hillsborough Castle and Gardens project. Comments from the Board were: the project was a great achievement, but that it was delivered at a very fast pace - a lesson for the future is that more time should be spent in up-front planning; it would be helpful for the Board to have a better understanding of which phase the project is in when it is reported to them; it would be advisable not to use the construction management form of contract again in an unfamiliar location; in future the team should have a good understanding of the risks from an early stage, identify risks that are known to be unusual, and cost them accordingly and the organisation should consider whether projects of such significance could be phased. Adrian Phillips explained that learning from the project will be widely disseminated.

In terms of the final financial position on the project, one outstanding claim remains unsettled and the team expect the final settlement figure to be within the amount previously agreed by the Board. In terms of the current operating performance, Tom O'Leary and Nicola Andrews said that the Christmas offer had been well-received and compared favourably to competitors.

John Barnes highlighted his new year message to staff, which is a reminder of the current position of the organisation, the cause and strategic framework.

Robert Swannell questioned why there were no digital reach figures along side regular reporting on site visits. We have developed a performance scorecard which includes digital reach. The methodology and current measurement will be included in the next CEO report. John Barnes informed the Board that a technology programme is planned and will be reported in due course.

Noting the school visit hosted by the Palaces & Collections department, Sue Wilkinson commented on the need for constant opportunities for young people to learn about careers in the sector.



Tom O’Leary explained that HRP does have projects within the Community Access Scheme, but more could be done. Sue Wilkinson offered to discuss this further with the team.

Noting the historic filming schedule, the Board asked Dan Wolfe to report on the broadcast media plan for 2020 and after.

2.2. *Financial performance*

Sue Hall reported that HRP was on track to meet the net contribution to projects target for 2019/20. Interest income is significantly higher than budgeted, based on the current valuation. Retail income has improved in some areas, but conditions at Hillsborough Castle are still challenging, and licencing income is not as high as planned.

Zeinab Badawi asked about the potential of filming income and Dan Wolfe explained that the team was discussing a new pricing strategy for location fees and offered to engage Zeinab Badawi with the team.

Sir Michael Stevens questioned the payroll gap and the amounts still left to be spent on IS and planned maintenance, and whether this impacted on the teams’ abilities to deliver planned activity. Nearly all of the outstanding planned maintenance sum has been committed; roll out of windows 10 and new ticketing servers has been delayed. A gap in development income is due to timing of receipt of funds and failure to secure a lead sponsor for an exhibition at Kensington Palace.

Sir Michael Stevens reported that the Audit and Risk Committee had received what it considered to be a strategy for the IS department, rather than a technology strategy for the organisation. The executive agreed, explaining that technology was a priority in the new strategy for HRP as a whole, and that a plan will be brought back to the Board in due course.

3. *Operating Plan and Budget*

3.1 John Barnes explained that the plan was divided into Part A – the strategic framework and Part B – activities and budgets.

On Part A, Sue Wilkinson commented that it was difficult to understand how achievement of the ambition will be measured. John Barnes acknowledged this, but it could not delay progress of activities. The team has already started work to assess the measurement of impact and will discuss this again with her.

Professor Michael Wood expressed concern about the staff survey response on the cause. The Chairman noted that it would



be necessary to explore this more deeply with staff. John Barnes explained that the cause had not yet fully 'landed' with all staff because other elements (e.g. the brand) had not been completed and communicated. The Executive recognises the issue, but also that if the ambition were not challenging it would not move HRP forward.

On Part B, Sue Hall gave an overview of the Operating Budget. The budgeted operating surplus of c.£30m is higher than 2019/20 and will be used to complete the work on the Orangery at Kensington Palace, complete the current stages of Hillsborough Castle and Gardens, initiate work at Banqueting House, Whitehall and invest in exhibitions, among continuation of other priorities.

Sir Michael Stevens queried the growth in headcount, in light of the predicted underspend in 2019/20 and Robert Swannell queried programme expenditure. Further detail on these aspects will be provided. On the question of environmental sustainability actions, these will be brought back to the Board as part of the sustainability update later in the year.

The Board approved the activities and Operating Budget 2020/21, noted the planned activities and budgets for 2021-2023 and thanked the team for their work.

4. Exhibitions at Kensington Palace

- 4.1 The Board received a presentation on the proposed exhibition at Kensington Palace that will run from March to October 2021 (currently known as *Court to Couture*). The Board supported the proposal and approved investment of £2.72m in the exhibition.

The Board also received a presentation on the exhibition: *Life Through A Royal Lens*, which will open at Kensington Palace in May 2020.

5. Kew Palace (*this item was taken at the beginning of the meeting*)

- 5.1 The Board received a presentation on the activities planned at Kew Palace in 2020, including *George III: The Mind Behind the Myth*, an opportunity to use George III's story to challenge how we think, talk and feel about health today and to inspire people to take action to make a positive difference for themselves and others. Sue Wilkinson explained that The Reading Agency had previously curated book lists covering mental health issues, and



local libraries will be showcasing these. Zeinab Badawi asked whether Queen Charlotte could be included further into the plans. Carole Souter asked whether the team had any contact with the Bethlem Museum of the Mind. Rachel Mackay explained that the team had taken much inspiration from the museum and has also had initial conversations with The Royal Foundation.

6. Functions and Events update

- 6.1 The Board received an update on the performance of Functions and Events. Sarah Jenkins asked about the rate of repeat visits; there is post-visit contact with all customers and the team estimate a 35% repeat visit rate, which is an improvement on prior years. Sarah Jenkins also queried whether the team tries to cross-sell HRP events to third parties. This has been tried but the team would like to do more. Noting the disappointing year for private hire events at Hampton Court Palace (especially the Garden Room), Jane Kennedy asked whether enough had been learned to prevent this happening again. Liz Young explained that there had been a new team that was not fully up to speed, but that results had already improved.

7. New fundraising strategy

- 7.1 The Board received a report on the new fundraising strategy, which defines a new way of planning long-term fundraising targets. This has been developed under the leadership of Robert Swannell, who has re-shaped the Campaign Board. The Board approved the strategy. The Board also received the current draft of the major projects under consideration for campaign fundraising, revised and evolved with input for the Campaign Board, and agreed to consider whether there were any other projects that should be included on the list. In due course, an event for Trustees and Campaign Board members will be organised.

8. Campaign Board

- 8.1 The Board noted the report on the new terms of reference and membership of the Campaign Board.



9. Subcommittees

9.1 *Audit and Risk Committee*

The Board received the minutes of the Audit and Risk Committee. Sir Michael Stevens drew out several points: (1) that, as discussed earlier in the meeting, the Committee felt that there was work to do to develop a technology strategy (2) the Committee noted the change in risk status of the 'From Complexity to Simplicity' programme to amber, and that staff enablement and engagement had to be closely monitored (3) that Dan Wolfe's team was preparing social media guidance in response to the accidental tweet that was reported to the Charity Commission.

Sarah Jenkins asked whether the Board receives regular updates on applications and recruitment of BAME candidates and offered to help with recruitment ideas.

10. Organisation and governance

10.1 *Naming rights*

The Board approved a request to grant acknowledgement rights to the Bradbury Foundation, in recognition of a donation of £100k to the Orangery Learning Centre at Kensington Palace. In doing so, the Board took account of the fact that HRP's policy did not require a minimum donated sum, as each donation will be considered on a case-by-case basis, and that acknowledgement was always a condition of Bradbury Foundation grants.

10.2 *Appointment of HRP Ambassadors*

The Board approved the appointment of Charles Mackay and Bruce Carnegie-Brown to the role of HRP Ambassador.

10.3 *Register of interests*

The Board noted the register of interests.

After the meeting, the Board, except the Chairman, withdrew for a private discussion.

