

National Portrait Gallery

741st MEETING

Minutes of the Meeting of the Trustees held at the National Portrait Gallery on
Thursday 1 July 2010

Present: Professor Sir David Cannadine (Chairman)
Ms Zeinab Badawi
Sir Nicholas Blake
Dr Rosalind P. Blakesley
The Marchioness of Douro
Dame Amelia Fawcett
Lord Janvrin
Sir William Proby
Mr David Ross
Professor Marina Warner

In attendance: Mr Sandy Nairne, Director
Mrs Pim Baxter, Deputy Director
Mr Jacob Simon, Chief Curator

1. Chairman's business

The Chairman congratulated Dame Amelia Fawcett on her damehood. He drew attention to the deadline for applications for the vacant trusteeship, for which interviews were planned for August.

2. Apologies for absence and Declarations of interest

Apologies for absence were received from Dame Carol Black, Dr Augustus Casely-Hayford, the Rt Hon. Nick Clegg, Sir Nicholas Grimshaw and Mr David Mach. The Chairman reported that it was planned that Nick Clegg should visit the Gallery on 20 August. In the discussion on agenda items 8 and 9, Lord Janvrin declared an interest as a director of HSBC since the bank had a financial interest in one of the companies involved in Seatem's restructuring arrangements.

3. Minutes of the last meeting

The minutes of the meeting held on 20 May 2010 were approved.

4. Matters arising

There were no matters arising.

5. Director's report

The Director reported on the successful opening of the BP Portrait Award and on the current interest in BP's sponsorship, following events in the Gulf of Mexico. BP had sponsored the Portrait Award for 21 years, a remarkably consistent act of support for any sponsor. There had been some press coverage of BP's role as an arts sponsor, and especially of protests at Tate. The Gallery has kept to a joint statement, prepared with other arts institutions supported by BP.

The Chairman set the long-term benefits of BP's support against the risk of damage to reputation, as recorded in the Gallery's risk register. The current agreement on sponsorship continues to 2012. We would want in any case to review the format of the Portrait Award

exhibition and, as part of this, the Gallery would also be entering into discussions on sponsorship at an appropriate time. Trustees highlighted the need for a short and medium-term press strategy, both proactive and contingent; the differences between wider public opinion and that of environmentalists; and the need to keep in unison with other arts organisations supported by BP.

The Director suggested that at the Trustees' Review Day in September discussion in the morning should focus on the next round of recession planning and in the afternoon on matters relating to governance and Pim Baxter would present a proposal on the future of the Development Board.

6. Portraits on offer

The Chief Curator reported that, in addition to support from the Heritage Lottery Fund and the Art Fund, a donation of \$30,000 had now been offered towards the acquisition of the portrait of Ayuba Suleiman Diallo by William Hoare. Further approaches for support were being made and the portrait was being launched publicly next week. Trustees agreed that the portrait was so important that the Gallery needed to acquire it if at all possible.

Fundraising towards the acquisition of Alex Katz's portrait of Anna Wintour was in hand without there yet being pressure on the completion date.

- THE TRUSTEES agreed to the acquisition of the portraits on the appended list

7. Commissions

The Director reported on progress with current commissions and said that the new subjects, identified at the last meeting of Trustees, would be put in hand. The portrait of Dame Anne Owers would be brought to the next meeting.

The Director said that it was standard practice to maintain the Gallery's series of portraits of prime ministers. At an appropriate moment, we would therefore be in touch with David Cameron's office.

8. Finance and Planning

8.1. Final Management Report. In considering the Final Management Report for the year to 31 March 2010, Sir William Proby said that the surplus was a very good result reflecting strong figures for self-generated income in most areas and good cost control, resulting both from deferred projects and from small savings in many areas. He drew attention to the variance analysis, which was clearly set out, and to the position in the forthcoming year, where the present level of the Gallery's reserves placed it in a good position to plan for the expected cuts in grant-in-aid to be announced during the Spending Review in the autumn. In discussion, it was reported that the outstanding Seatem debt was still being pursued. Trustees noted the Management Report.

8.2. Audited Accounts and Annual Report. Nick Hanks, Head of Finance and Planning, presented the Annual Report and Accounts 2009-2010, to be laid before Parliament. He reported that the National Audit Office had agreed that the contingent liability to HMRC need no longer be the subject of a special note. The Investment and Contingency Fund contained sums which had already been committed, as well as funding from the Lerner donation for particular purposes. The remaining free reserves were essential for the future of the Gallery.

Income for the year, as recorded in the Consolidated Statement of Financial Activities for the year to 31 March 2010 was less than in the previous financial year, when there had been several successful public appeals, a more favourable foreign exchange rate for the Lerner

Gift, as well as income from the gala and a particularly strong profit from publications. He reported that the Statement of Funds had been reorganised to provide a more meaningful presentation of the Gallery's tangible fixed assets. With a very few exceptions, we had met performance indicators.

- THE TRUSTEES approved the Annual Report and Accounts to 31 March 2010

8.3. Government Funding. The Director reported that the Secretary of State had asked the Gallery to provide an indication of how we would seek to manage reductions of both 25% and 30% in government funding over four years. The Gallery's draft response would be indicative and tactical in nature. It would indicate that in years 3 and 4 learning and national programmes, among others, would be threatened. The alternative was to consider a very different model which would mean charging for admission to the Gallery. The Director said that any attempt to restrict our ability to use our reserves would be resisted.

In response to questions, the Director indicated that reaction among other London national museums to charging for admission remained uncertain and would vary between institutions but he thought that we should avoid charging if we possibly could. He reported that the proposed reductions in government funding allowed for inflation. The Director proposed to work on the non-charging and charging models over the summer as part of an orderly process of staff examining the implications of reductions in detail. The results would feed into a discussion paper for the Trustees' Review Day in late September. How one would actually react to reductions in government funding would be for the Trustees to determine as part of budget setting process once the results of the Government Spending Review were known in October.

8.4. Appointment of Investment Advisers. Amelia Fawcett, Chairman of the Investment Committee, reported on the process of appointing investment advisors and on the draft Investment Strategy.

- THE TRUSTEES appointed Partners Capital as their investment advisors and approved the draft Investment Strategy

9. Audit and Compliance Committee

David Ross, Chairman of the Audit and Compliance Committee, reported on the recent review of the Corporate Risk Register. He drew attention to the risks around the Seatem debt and the Wikipedia disagreement and to staff morale risks. The Committee had discussed the Annual Report and Accounts with the National Audit Office. The Trading Company accounts had been reviewed, together with the external auditors' report. The Committee had reviewed and approved the Information Security Policy, and the draft Investment Strategy. The Trustees welcomed the Annual Report by the Chairman of the Audit and Compliance Committee.

10. Exhibitions

Sarah Tinsley, Head of Exhibitions and Collections Management, reported on the success of the recent exhibition programme and drew attention to current strategic issues, including exhibition ticket pricing, the control of expenditure including the recycling of display screens, the importance of interpretation and the need for a balance in the programme. The Trustees welcomed her report and the presentation on future exhibitions. Sarah Tinsley then highlighted changes in the Exhibitions and Displays Policy since it was last approved by Trustees.

- THE TRUSTEES approved the revised Exhibitions and Displays Policy

11. Information Security Policy

Judith West, Head of Resources, explained that the policy expanded on the existing IT Security Policy and was designed to meet the recommendations of both the recent audit of IT Security and the Government Security Policy Framework.

- THE TRUSTEES approved the Information Security Policy

12. Heinz Archive and Library Review

Robin Francis, Head of Archive and Library, reported on recent progress including the introduction of the library and archive information systems and the continuation of the cataloguing programme, largely dependent on special funding. Facilities for existing researchers had been improved and we had reached out to new audiences. Current work included a programme to catalogue the papers of Sir George Scharf, supported by The National Archives, the increasing use of electronic resources including making our data available to other research networks, and the instigation of two pilot projects, one looking at structuring Gallery shared drives, the other at recording portraits from other collections on the Gallery's collections database.

Robin Francis drew attention to longer term ambitions to promote the Heinz Archive and Library as a world centre for the study of British portraiture. The Trustees welcomed the report.

13. Review of Research Programmes

Peter Funnell, Curator 19th-century portraits and Head of Research Programmes, reported on recent and current programmes including the published Later Stuart Catalogue and the forthcoming Later Victorian catalogue, the Making Art in Tudor Britain project, which had recently received British Academy support, the Leverhulme fellowships, the 'Understanding British Portraits' network and a new collaboration with scholars at UCL on a project concerning ideas of likeness and facial recognition. The Gallery's experience with an unsuccessful but time-consuming AHRC application was not untypical and at some stage it might be appropriate for a group of Independent Research Organisations to enter into further discussions with the AHRC. Looking ahead, we needed to seek more sustainable sources of funding for research activities, including partnership projects and working with individual scholars.

The Chairman drew attention to the importance of research and of the Archive and Library to the intellectual life of the Gallery. The Trustees welcomed the report.

14. Matters for report

Reports on Communications and Development, Resources, Learning and Loan requests were noted.

15. Any other business

Pim Baxter drew attention to the new A5 format of *Face to Face*. Publishing in this smaller size made the Gallery's newsletter less expensive to produce, more portable and would save on postage.

Appended list of portraits on offer, 1 July 2010

Three vintage photographs of member of the British Antarctic Expedition, 1910-13, by Herbert George Ponting

EDWARD LEICESTER ATKINSON, surgeon, 15 September 1911

EDWARD ADRIAN WILSON, naturalist and polar explorer, c.1911-12

EDGAR EVANS, polar explorer, c.1911-12

Purchase from Steven Kasher Gallery at \$20,450 approved

BARON ADOLPH DE MEYER, photographer, vintage self-portrait photograph, 1920s
Purchase from Robert Miller Gallery, New York, at \$14,000 approved

HERBERT STANLEY MORRISON, BARON MORRISON OF LAMBETH with **SIR WALDRON SMITHERS**, politicians, caricature drawing by Ronald Searle, 1951
Purchase from Abbott & Holder at £1500 approved, to be funded from the Elizabeth Weisz Bequest

GEORGIE FAME (born CLIVE POWELL), musician, drawing by David Oxtoby, 1966
Gift from David Oxtoby approved

SHIRLEY HUGHES, illustrator and writer, pastel by Clara Vulliamy, 1981
Gift from Shirley Hughes approved

SIR MARTIN JOHN EVANS, geneticist; pioneer of stem cell research, painting by David Copley, 2010
Commission approved at £8000