

National Portrait Gallery

756TH MEETING

Minutes of the Meeting of the Trustees held at the National Portrait Gallery on
Thursday 15 May 2014

Present:

- Sir William Proby (Chairman)
- Dr Brian Allen
- Ms C Allegra Berman
- Professor Dame Carol Black
- Dr Rosalind (Polly) Blakesley
- Dr Augustus Casely-Hayford
- Ms Kim Evans
- Lord Janvrin
- Mr Christopher Le Brun
- Ms Mary McCartney
- Dr Andrew Roberts
- Mr David Ross
- Ms Marina Warner

In attendance:

- Mr Sandy Nairne, Director
- Mrs Pim Baxter, Deputy Director and Secretary to the Board
- Ms Helen Hillman, Manager, Director's Office (minutes)

1. **Chairman's business**

The Chairman congratulated the Director, Deputy Director and staff on the success of the recent *Save Van Dyck* campaign, which he said had been described by the Trustees of the Heritage Lottery Fund, who had awarded a significant grant, as 'exemplary'. He was pleased to report that Dame Carol Black and Dr Polly Blakesley's reappointments as Trustees for a second term of four years had been confirmed, and that Kim Evans's reappointment for a second term from October 2014 had also been approved in advance by the Prime Minister. It was hoped that the recruitment process for a new Trustee to take up the vacant position on the Board would commence shortly.

2. **Apologies and Declarations of Interest**

Apologies for absence were received from Mr Stephan Shakespeare and The Rt Hon Nick Clegg MP. No new declarations of interest were made.

3. **Minutes of the previous meeting**

The minutes of the meeting held on 13 February 2014 were approved as an accurate record and were signed by the Chairman.

4. **Matters arising**

The Deputy Director reported that the total sum raised through the 2014 Portrait Gala, after costs, was £430,000. £100,000 of this would be put towards the £1m Portrait Fund Challenge, so that it would be doubled under the DCMS/HLF *Catalyst: Endowments* match funding scheme. The Trustees congratulated the Deputy Director, the Gala Manager and colleagues who had assisted with the event.

5. **Director's Report**

The Director had provided a written report to the Trustees outlining the various complex stages of the negotiations and fundraising campaign to acquire Anthony

Van Dyck's Self-Portrait. Some Trustees expressed concern about the reputational risks to the Gallery of the process which could have put the Gallery in a difficult position. A draft letter from the Chairman to the Minister for Culture, Communications and Creative Industries had been circulated which expressed the Chairman's concerns arising from this case in relation to the Export Review process. There was a discussion about the wording of the letter and several minor amendments were suggested. It was also hoped that a meeting could be arranged with colleagues from Arts Council England to discuss the export review process and the lessons learned from this experience. Colleagues at the Gallery would now work on the technical aspects of the purchase, and the Chief Curator and Curator of 17th Century Portraits would then oversee conservation and research work on the portrait during the autumn. The portrait would travel to a number of museums and galleries over the next three years, returning to the Gallery for display each autumn.

The Director reported that, following the completion of conservation work on Arthur Stockdale Cope's group portrait of Naval Officers of the First World War, the work had gone on display on the Balcony Gallery for the first time in over fifty years. Officers from the Navy Board, including the First Sea Lord, had attended a photo call in front of the portrait earlier that day.

The Director also reported that the Director of Operations and Resources, Judith West, had announced her retirement. She had agreed to stay on at the Gallery full time until the end of June and then part time until early September until her successor was in post.

Action point: Letter from the Chairman to the Minister for Culture, Communications & Creative Industries to be updated and re-circulated to Trustees for comment

6. Offers for Consideration

The Curators reported on portraits on offer, which included photographs of Captain Lawrence Oates by Herbert Ponting, John Ruskin by Frederick Hollyer and C S Forester by Ansel Adams; a painted portrait of Albert Schweitzer by Clara Ewald and the long term loan of Lucian Freud's portrait of Lady Caroline Blackwood, *Girl in Bed*.

- THE TRUSTEES approved the acquisition of the portraits on the appended list.

7. Acquisition and de-acquisition of portraits transferred to and from Tate

The Chief Curator clarified the Gallery's policy on the acquisition and de-acquisition of portraits. A proposal was put forward to transfer three works from the National Portrait Gallery's Collection to Tate, and to accept two portraits from Tate for formal accession to the Gallery's Collection. There was a discussion about whether it was appropriate to transfer the J M W Turner death mask to Tate's collection, but on balance the Trustees felt that this was acceptable.

- THE TRUSTEES approved the accession and de-accession of works on the appended list to and from Tate.

8. Update on Current Commissions

The Contemporary Curator updated the Trustees on commissions in progress.

9(a) 2020 Plan update

The Director and Deputy Director had provided a written update to Trustees on the various areas of activity comprising the 2020 Plan. The Director reported that due to the timing of the development of the programme and funding, and the proximity to the Van Dyck appeal, it had been decided that the Gallery's application to the Heritage Lottery Fund for support for the 2020 Plan should more appropriately be submitted in November 2015. The Trustees were in agreement with this decision. The Deputy Director reported that an initial proposal for funding for a Learning Centre had been submitted to the Clore Duffield Foundation, with the final application to be completed in June. Colleagues were considering carefully how this proposal fitted with the Gallery's wider 2020 plans.

9(b) Building Feasibility Study presentation by Haworth Tompkins

Graham Haworth and Jim Reed of Haworth Tompkins architectural practice joined the meeting. Over the last three months they had been engaged in developing a Buildings Feasibility Study for the Gallery with the aim of providing a 'road map' to guide development of the 2020 Plan. After a number of workshops and meetings with colleagues from the Gallery and with Trustees, options for consideration in five key areas were presented to the Trustees:

- Linking the Main Hall to the Core Stairs area by relocating the Digital Space;
- The expansion of education facilities to create a dedicated Learning Centre on the site of the existing Learning Department;
- Options for the location of temporary exhibition spaces on either the Ground Floor or Second Floor;
- Potential uses for spaces in the East Wing;
- Options for raising the external profile of the Gallery building and alleviating congestion around the Main Entrance.

The Trustees were pleased with the direction of the proposals, and thanked Haworth Tompkins for their work so far. It was agreed that some further development of their ideas should be undertaken and that in particular consideration should be given to resource, cost and programming, and that the proposals should be presented to the Trustees again at the July meeting.

Action point: Workshop to take place ahead of July Board meeting to which all Trustees should be invited. Revised proposal to be worked up for presentation at July meeting.

10. Finance and Planning

The Chairman welcomed Nick Hanks, Director of Finance and Planning, to the meeting.

10(a) Management Report for 12 months to 31 March 2014

Brian Allen reported that at the end of the 2013-14 financial year, the Gallery was in a better position overall than it had expected, particularly as a result of steady income from the *Bailey's Stardust* exhibition. A deficit had been budgeted but the *Stardust* income and that received from the Gala, the Van Dyck appeal and Catalyst had meant that this had been reduced considerably even with the increased expenditure associated with various projects. Exhibition sponsorship remained challenging, and the fact that neither *Laura Knight Portraits* nor *The Great War in Portraits* had secured sponsorship (although they had secured individual Exhibition Supporters) highlighted the importance for the Gallery of continuing to hold major exhibitions

such as *Stardust* which had the ability to secure financial support and generate revenue. Publications and retail income was behind budget at the year end, but income from venue hire was in surplus.

Visitor numbers were only slightly down on the previous year, although still ahead of target at just under two million. *Stardust* was on course to exceed its projected visitor target of 130,000. The Key Performance Indicators were positive overall, although the Trustees felt that family visits and BAME visits should continue to be monitored carefully. The Director confirmed that ongoing work as part of the Gallery's Family Strategy should encourage more family visits. In the short term the Gallery's financial position looked stable, although there were still concerns about the uncertainty of the level of Government support the Gallery might receive in 2016-17, but this would not be known until after the May 2015 General Election.

10(b) Investment Committee report

Allegra Berman reported that both the Investment and Contingency Fund (I&CF) and Portrait Fund portfolios had increased in value in the last quarter, but overall in the year both portfolios had experienced a slight reduction in value. This had been as a result of their exposure to Asian Local Currency debt, as investment in emerging markets had suffered heavy falls in the first quarter of 2013-14, but had recovered later. The I&CF portfolio had increased by 1.2% since December 2013 and the Portrait Fund portfolio by 0.8% in the same period. Since its inception the Portrait Fund portfolio had increased by 16%. The Investment Committee had met earlier that week and no asset reallocations had been proposed. Partners Capital had proposed a change in their relationship with the Gallery from an advisory relationship to a discretionary relationship in response to an EU Directive covering investment fund management. The Committee had agreed with this proposal, however, the Trustees felt that the decision should be ratified by the Board, and it was agreed that the proposal should be put to the Trustees at the July meeting. She reported that an annual review of the financial stability of Partners Capital had not highlighted any areas of concern.

Action point: Director/Director of Finance & Planning to report back to July meeting with formal proposal by Partners Capital for change in investment management capacity.

10(c) Portrait Trust report

Nick Hanks reported that the Portrait Trust's 2013-14 accounts had been prepared and independently examined and that there had been no issues of concern raised during the examination. The Trust was keen to find ways to support the Gallery and other institutions in promoting portraiture wherever possible, and it was likely that it would make some modest grants over the coming months.

11. Audit and Compliance Committee

11(a) Risk Management

David Ross reported that the Audit and Compliance Committee (A&CC) had reviewed the Corporate Risk Register at its recent meeting and that he would be happy to answer any questions from Trustees. The Committee had also reviewed the Governance Statement to be included in the 2013-14 accounts. No significant issues had arisen from the 2013-14 Internal Audit programme, and audit recommendations continued to be implemented appropriately. The Head of Internal Audit's annual report had provided the Accounting Officer with reasonable assurance on the effectiveness of the Gallery's internal controls and risk management processes. The Committee had reviewed the Company's results for

the year and the Gallery's insurance policies and was satisfied that the Gallery has adequate insurance cover.

11(b) Annual Review of Risk Appetite

The Trustees reviewed the Gallery's risk appetite. The Planning Team had proposed that acquisitions should be added as a separate activity in the risk appetite framework following the Van Dyck appeal. The Trustees accepted this change to the risk appetite, and confirmed that the list of activities, the appetite assigned to each activity and the evaluation criteria remained appropriate.

- THE TRUSTEES approved the annual review of risk appetite.

11(c) Risk Management Annual Report

The Trustees noted the annual review of the activity of the A&CC and were content that the Committee's work had been effective in reviewing and challenging the work of the executive throughout the year.

12. Archives and Records Management Policy

- THE TRUSTEES approved the updated Archives and Records Management Policy.

13. Any other business

The Deputy Director updated the Trustees on a revised format for the annual Trustees' Dinner in November, which would have a focus on acquisitions and commissions and would have a pre-dinner reception to include a tour for Trustees and their guests.

Appended list of portraits on offer

Works de-accessioned and transferred to Tate:

754 The Fairfax family by Gilbert Soest, oil on canvas, circa 1645-1648
612 Unknown Woman, by Gilbert Soest, oil on canvas, circa 1670
1664 J M W Turner, attributed to Thomas Woolner, plaster cast of death mask,
1851

Works accepted from Tate for acquisition and formal accession:

1172 Charles Dickens by Daniel Maclise, oil on canvas, 1839
L174 Dorothy Jordan by John Hoppner, oil on canvas, exhibited 1791

Portraits accepted to the Collection:

P1973 LAWRENCE EDWARD GRACE OATES (*Captain Oates and Siberian Ponies aboard the Terra Nova*), Antarctic Explorer, toned bromide print by Herbert George Ponting, 1910

Purchased at Bonham's, 19 March 2014, lot 209 at £4,500 (hammer price), approved

P1974 JOHN RUSKIN, writer, artist and social reformer, platinum print by Frederick Hollyer, 1894

Purchased at Bonham's, 19 March 2014, lot 70 at £420 (hammer price), approved
6985 ALBERT SCHWEITZER, German polymath; awarded the Nobel Peace Prize in 1952, oil on canvas by Clara Ewald, 1930

Offered by Frank Schweitzer as a gift, accepted

P1975 JOHN DEAKIN, photographer, vintage bromide print, self-portrait, 1952

Offered by the Mrs W M Matthews Trust as a gift, accepted

P1976 CECIL SCOTT FORESTER, novelist, silver gelatin print by Ansel Adams, 1955

P1977 HENRY GREEN, novelist, silver gelatin print by Jerry Bauer, mid-1960s

P1978 PETER USTINOV, actor, dramatist and film director, silver gelatin print by Philippe Halsman, 1958

Three photographs offered for purchase from the Keith de Lellis Gallery at USD \$2,880 (approximately £1,737), agreed

L258 LADY CAROLINE BLACKWOOD (*Girl in Bed*), writer and artist's muse; former wife of Lucian Freud, and later wife of Israel Citkowitz and Robert Lowell, oil on canvas by Lucian Freud, 1952

Offered by Ordovas Gallery as a long term loan from a private collector for a period of three years, accepted