

# National Portrait Gallery

## 759<sup>TH</sup> MEETING

Minutes of the Meeting of the Trustees held at the National Portrait Gallery on  
**Thursday 12 March 2015**

**Present:** Lord Janvrin (Chaired the meeting, 'The Chair')  
Dr Augustus Casely-Hayford  
Ms Kim Evans  
Ms C Allegra Berman  
Ms Marina Warner  
Mr David Ross  
Professor Dame Carol Black  
Dr Andrew Roberts  
Dr Rosalind (Polly) Blakesley

**In attendance:** Mrs Pim Baxter, Acting Director and Secretary to the Board  
Ms Helen Corcoran, Manager, Communications (minutes)

**Apologies:** The Rt Hon Nick Clegg MP  
Sir William Proby (Chairman)  
Dr Brian Allen  
Mr Stephan Shakespeare

### **1. Chairman's business**

Lord Janvrin chaired the meeting, and opened by sharing the apologies of the Chairman, Sir William Proby.

Lord Janvrin noted that Sir William had asked that his thanks be shared with Pim Baxter, Acting Director, and her team for the events held to mark the departure of the former Gallery Director, Sandy Nairne. All present agreed that the series of events (including the Trustees' Lunch, the Staff Breakfast and the evening reception) had proved a fitting tribute, and congratulated Pim. The Trustees also congratulated Pim and her team for the success of the HLF/DCMS *Catalyst: Endowments £1 Million Pound Portrait Fund Challenge*, which had culminated in a final effort during which many Supporters and friends had been asked to donate in Sandy Nairne's honour. Pim thanked the Trustees for their support.

The Trustees asked for details of the special gift which had been presented to the Director; Pim outlined the contents of the 'artists' prints' box, which contained prints of differing styles representing each of Sandy's twelve years' of service, by the artists Anderson & Low, Paul Emsley, Paula Rego, Andrew Tift, Julian Opie, Sam Taylor-Johnson, Ishbel Myerscough, Alex Katz, David Dawson, David Bailey, Jonathan Yeo, Tessa Traeger and Annie Leibovitz.

It was agreed that as some of the Trustees had not had an opportunity to sign Sandy's commemorative leaving book, Pim would retrieve the book from Sandy and would bring it to the next Trustees' Meeting on Thursday 14 May 2015.

Lord Janvrin reported that Sir William had emphasised the importance of learning from the Director's recruitment process, and had asked Lord Janvrin, Dr Augustus Casely-Hayford and Pim Baxter to produce a report to include suggestions for future guidelines.

David Ross asked whether any progress had been made on the appointment of the two new Gallery Trustees; Pim explained that confirmation was expected from DCMS before purdah was declared, prior to the General Election on 7 May 2015.

## **2. Apologies and Declarations of Interest**

The Chair shared apologies from Sir William Proby, The Rt Hon Nick Clegg MP, Dr Brian Allen and Mr Stephan Shakespeare. Dr Rosalind (Polly) Blakesley apologised for her late arrival.

## **3. Minutes of the previous meeting**

The minutes of the meeting held on 6 November 2014 were approved as an accurate record and were signed by the Chair.

## **4. Matters arising**

The Chair noted that there were no matters arising.

## **5. Director's Report**

Pim Baxter, Acting Director, reported that all was in place for Dr Nicholas Cullinan's arrival on Tuesday 14 April 2015, with a schedule of introductory internal meetings (including an Allstaff Welcome Breakfast on Monday 20 April 2015) scheduled; DCMS training for his role of Chief Accounting Officer confirmed, and a reception, hosted by the Gallery Supporter Midge Palley, planned for Wednesday 15 April 2015 to introduce members of the Development Council and key Supporters.

The Acting Director reported that Tarnya Cooper, Chief Curator, was in the process of undertaking a formal Curatorial Department Review, supported by a Steering Group and an external consultant, and that Tarnya would be bringing the new Director into the discussion as soon as possible.

The Acting Director noted that *Sargent: Portraits of Artists and Friends* was proving hugely successful, with extremely positive critical reviews and visitor feedback, and higher than anticipated visitor figures. The Acting Director also reported that *Wellington: Triumphs, Politics and Passions* had opened with a successful Private View, positive visitor comments and favourable reviews.

The Acting Director reported that *Bailey's Stardust* had opened in Milan, with David Bailey, Sarah Tinsley, Director of Exhibitions and Collections, Sandy Nairne, former Gallery Director, and Christopher Baker, Director of the Scottish National Portrait Gallery (where the exhibition would tour to next), in attendance at the Private View.

The Acting Director reported that the judging of the *BP Portrait Award 2015* was going well, with the switch to digital submissions for the first round proving a success (and attracting a higher volume of international entries, as hoped) – 2,750 had been entered. The Acting Director confirmed that the final two days of judging, where the shortlisted 456 works would be viewed in person by the judging panel, would take place on Monday 23 and Wednesday 25 March 2015.

The Acting Director reported that *Grayson Perry: Who Are You?* had been a triumph, with extraordinarily high visitor figures and excellent related sales in the Gallery Shops. All agreed it

had been an exemplary partnership and display, and noted that similar projects should be pursued in future.

The Acting Director reported that HRH The Duchess of Cambridge's visit, as the Gallery's Patron, to Turner Contemporary in Margate to see *Self: Image and Identity* (the National Portrait Gallery partnership exhibition, which includes a number of significant Collection loans, including the Van Dyck Self-portrait) on Wednesday 11 March 2015 had been very successful, with HRH praising the exhibition and the visit receiving positive media coverage.

Marina Warner asked how the Schama project was progressing; Pim confirmed that Tarnya Cooper, Chief Curator, would be reporting on the planned display, publication and television series, but noted that plans were progressing and that filming by Oxford Films and Television would take place during the final day of the judging of the *BP Portrait Award 2015*.

## **6. Offers for Consideration**

The Chair welcomed Tarnya Cooper, Chief Curator, Phillip Prodger, Head of Photographs, and Paul Moorhouse, 20<sup>th</sup> Century Curator, to the meeting.

The Chief Curator and the Head of Photographs reported on works which had been acquired since the last meeting, which included a set (acquired for the Reference Collection) of approximately 300 prints, hand-coloured etchings and lithographs collected by MP Sir Edward du Cann which formed a key body of material with a *Wellington*-connection, and would make an interesting future display; two items which had been purchased by Phillip Prodger for the Photographs Collection (a framed pair of daguerreotypes of unknown sitters, taken by the pioneering photographer Richard Beard, and a hand-illustrated album of 19<sup>th</sup> century photographic prints of identified sitters which demonstrated the vernacular use of photography), and a portrait in oils of Sir William Agnew by Frank Holl, 1883 (which had previously been on loan to the Gallery, and had been purchased at a reduced price using a charitable grant).

The Chief Curator presented a c. 1899 self-portrait drawing by the painter, printmaker, illustrator and poet Lady Edna Clark Hall, which was being offered as a gift. All agreed the work should be accepted into the Primary Collection.

The 20<sup>th</sup> Century Curator presented a bronze bust of the composer Richard Addinsell by Clemence Dane, c. 1935, which was being offered through a bequest to the Gallery. All agreed that the work should be accepted into the Primary Collection.

Phillip Prodger, Head of Photographs, and Paul Moorhouse, 20<sup>th</sup> Century Curator, left the meeting.

The Trustees asked Tarnya Cooper, Chief Curator, for a brief update on the *Face of Britain* Simon Schama project: Tarnya explained that (complementing the television series and Penguin publication) displays of cross-period works (focusing on Schama's themes of 'Power', 'Self', 'Love', 'People' and 'Fame') would be shown dispersed throughout the Collection rooms. The Trustees agreed that the idea of showing works from different periods together was an interesting idea, and Tarnya suggested that the themes and ideas generated by the project could have wider National Programmes potential.

## **7(b). Update on Current Commissions**

The Chair welcomed Sarah Howgate, Contemporary Curator, to the meeting.

The group moved to the Conservation Studio, where they viewed two current commissions. Sarah explained details of each work to the Trustees, who approved the two commissioned portraits.

The Trustees also viewed a series of four framed photographic portraits of HM The Queen by David Bailey, which had been taken as part of the 'GREAT' campaign, and donated to the Gallery by the photographer. All agreed the portraits made a welcome addition to the Collection.

The group returned to the Boardroom, where Sarah tabled the March 2015 paper on *Current Commissions*. Sarah confirmed that there was nothing further to report on other commissions.

#### **7(a). New Commissions Discussion**

Together Tarnya and Sarah reminded the Trustees that they had been invited to nominate two individuals they each felt should be considered for a future commission; biographies of the suggested sitters had then been circulated, and the Trustees has been asked to indicate their first, second and third preferences.

Sarah explained how the voting results had been calculated (three points for a first preference, two points for a second preference and one point for a third preference).

The Chair asked whether all present were happy with the results of the vote, and the Trustees discussed the relevant 'merits' of each nominee (raising questions of whether all fields of achievement - including literature - were being represented, and whether the focus of commissioning should be on those who are not already represented by photographic portraits in the Collection). It was agreed that the Contemporary Curator should approach the first two shortlisted nominees, and that the Chief Curator should report back to the Trustees in the May 2015 meeting. It was agreed that in future a shorter list of 'candidates' would be appreciated.

Tarnya Cooper, Chief Curator, and Sarah Howgate, Contemporary Curator, left the meeting.

#### **8. 2020 Plan Update**

The Acting Director reported that an application for £167,800 had been made by the Gallery to the Portrait Trust for support across departments, including support for display and interpretation preparation, a Digital Consultant, specific audience research work and funding for a Project Co-ordinator to provide administrative support.

Pim reported that the architects Howard Tompkins had undertaken pre-planning application work, lodging papers with Westminster Council and English Heritage, and noted that English Heritage's site visit had been successful.

Pim reported that Lee Winters, the Director of Estates and Operations, had led focused Risk Workshops with key colleagues across the Gallery, the results of which would feed-into the *Project Initiation* document, which was currently in development. Pim also noted that the findings of the Donor Consultation exercise, led by the Stoutzker Fundraising Partnership (which demonstrated great support for and loyalty to the Gallery, and highlighted the importance of having a strong vision for the *2020 Plan*) had been received, and would be shared at the May 2015 meeting. Pim reported that a preliminary HLF meeting had been scheduled, and that targeted audience research workshops had taken place on 7 March 2015, and that findings would be shared with Trustees in due course.

## **10(a) Audit and Compliance Committee**

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

Kim Evans reported on the 25 February 2015 Audit and Compliance Committee (A&CC) meeting, which she had chaired in David Ross's absence. Kim noted that the actions arising from a formal complaint had been concluded with the publication of Sir Nicholas Blake's Report (discussed at previous meetings), and the production of the *National Portrait Gallery Complaints Policy* (which would be tabled for Trustees' approval later in this meeting). Kim reported the Corporate Risk Register had been reviewed by the A&CC and certain risks discussed (including the risk of reduced Government support, which was almost certain, and the pressure on the Finance team from DCMS to lay the DCMS 2014/15 accounts before Parliament's the summer recess) – noting that one risk, that of 'reduced brand awareness and negative press', had been reduced since the October 2014 A&CC meeting. Kim noted that the review of the implementation of Internal Audit recommendations had identified that a high number of recommendations from 2013/14 were still outstanding, and that A&CC had asked that these be actioned where possible before the next A&CC meeting. She reported that the Trading Company update had shown higher than budgeted profits so far in 2014/15. Kim reported that the *Acquisitions & Disposals Policy* had been reviewed by the A&CC (prior to being brought to this Trustees' meeting), and noted that the Committee had requested a list of Gallery policies be provided at the next A&CC meeting so that it could discuss which of these policies the Committee should review on a regular basis.

The Trustees discussed the risk of a Hung Parliament, and the repercussions on the wider economy. All agreed that although it remained outside the Gallery's control, it was a serious risk. Nick Hanks confirmed that the Gallery's Planning Team was working on contingency plans with regard to the Gallery's support from DCMS in the future and that Planning Team continued to monitor the situation. The Trustees agreed that delays in the appointment of new Trustees also represented a risk, although the Chair noted that this was perhaps an inevitable feature of an uncertain political climate and the consequence of the DCMS preparations for the upcoming General Election.

Kim reported that a presentation had been made by the Rights & Images team about the potential impact of the new Public Sector Information Directive, which would apply to the re-use of the Gallery's intellectual property, such as the Gallery's images and publications. The Directive could affect the licensing agreements between the Company and the Gallery, and actions were being planned to minimise these impacts. The Trustees agreed that it would be helpful if a member of the Rights & Images team could produce a short briefing note explaining the Directive and its impact on the Gallery for the May 2015 meeting.

The Trustees approved the updated *National Portrait Gallery Complaints Policy*.

## **9. Finance and Planning**

### **9(a) Management Report for the ten months to 31 January 2015**

Nick Hanks, Director of Finance and Planning, presented the January Management Report which indicated that the Gallery was performing well against its budget for the year, mainly as a result of the anonymous £1.1million donation received in October and an under-spend in expenditure against budget of £1.5million.

Nick noted that the majority of the under-spends across departments were as a result of timing differences and were likely to be spent by the year end or absorbed in funding year end accruals. However, some savings were likely to be made.

Nick noted that the Gallery did have at the present time unrealised gains from its investment portfolios, but these gains were not reflected in the management accounts. The Chair asked why there had been an increase in Overtime payments, and Nick explained that it was due to additional staffing for *Bailey's Stardust*.

Nick confirmed that the Gallery's 2 million visitor target was likely to be reached within the next week or so, (noting that the autumn exhibition programme had helped to increase visitor numbers to the Gallery) and that the Gallery had already exceeded its visitor target for the year.

Nick drew Trustees' attention to the December 2014 quarter Key Performance Indicators, which showed a generally positive performance across most areas. However, he noted that the Learning department had experienced a drop-off in outreach participation, mainly due to the reduction in outreach activities, and that year-to-date Family visits were at 8% of total visits, which was short of the 12% target. However, the performance was a slight improvement on the year to date figure in 2013/14 of 7.7%. Nick reported that the new Families Activity Base (the FAB) had been a success since its introduction earlier in the year.

The Trustees discussed the Family offer, and discussed whether that the age of 'free entry' to exhibitions could be increased from 12 to 16 years, to encourage Family visits (although it was noted that other museums and galleries also have an age limit of 12 years).

#### **9(b i) 2015-18 Corporate Plan**

Nick Hanks also presented the draft *2015/18 Corporate Plan*. Nick explained that the proposed activities in the Plan had been drawn from the Gallery's departmental plans. He also noted that some sections were still work in progress as the current year had not ended and the budget had still to be approved.

The Chair noted that it was crucial that the *Corporate Plan* and the *2020 Plan* overlap, and agreed that the *Strategic Objectives* continued to provide an appropriate framework into which elements of the 2020 Plan could be incorporated.

Kim Evans commented that the *2020 Plan* still lacked an overarching sense of transformative 'Vision'. However Trustees recognised that the 2020 Plan was still being developed. Nevertheless, Trustees agreed that demonstrating a sense of overarching transformative 'Vision' would be essential to the success of the HLF application for support.

The Trustees agreed that Nick Hanks should bring the finalised *2015/18 Corporate Plan and Strategic Objectives* document to the May 2015 meeting.

#### **9(b ii) 2015-18 Budget**

Nick Hanks then presented the draft *2015/18 Budget*, noting the predicted 2015/16 deficit had increased from that which was estimated in last year's budget, mainly because of significant additional costs identified for planned exhibitions such as *Vogue 100* and *Giacometti*, as well as a substantial reduction in Retail income. The latter was in the light of experience gained in the current year, which had caused Retail to re-evaluate the potential income which could be earned from the large exhibitions planned across the Corporate Plan period. Nick explained that the huge commercial success of *Grayson Perry: Who Are You?* had, to a large extent, enabled

Retail to achieve near budgeted income for the year, but that without it Retail income would have fallen significantly short of the annual target. Trustees asked whether the forthcoming *Vogue* exhibition offered similarly positive retail opportunities. Nick replied that it did, however, the opportunities were likely to be less lucrative than had been hoped for.

Nick noted that the grant-in-aid allocations in 2016/17 and 2017/18 were not certain. They would be confirmed in the next Spending Review following the May General Election. For the purposes of external communication, a flat cash settlement had been assumed over those years, based on the known 2015/16 allocations. However, it was probable that any new administration would need to continue with deficit reduction and cuts in DCMS funding were therefore likely. The Gallery was budgeting to make surpluses in 2016/17 and 2017/18 as a contingency in case cuts materialised in those years. However, further contingencies were being considered to increase financial resilience in those years.

The Trustees discussed with Nick actions which could be taken to improve the *2015/18 Budget* outturns. All agreed that the Gallery needed to balance the risks of reducing the public offer against the risks of a deficit, and it was suggested that it was better to incur a deficit than to reduce the public offer – especially in the run-up to 2020. Allegra Berman asked whether it was feasible for the Gallery to realise some of the unrealised gains made in the investment portfolios as a means of bolstering income in the year. Nick said that some limited realisation of portfolio gains had been included in the budget, but it was possible to increase the level if necessary.

David Ross advised that, given the increase in the deficit in 2015/16, the Chairman, Sir William Proby, and the new Director, Dr Nicholas Cullinan, should have an opportunity to consider and comment on the Budget before it was approved.

The Trustees agreed that a decision on the *2015/18 Budget* should be deferred, and brought to the May 2015 for approval in the presence of both the Chairman and the new Director. In the meantime Trustees asked Nick to work with colleagues to reduce the size of the current budgeted deficit in 2015/16 and to build further resilience in the following two years.

### **9(c) Portrait Trust Update**

The Acting Director confirmed that the Portrait Trust now had a Memorandum of Understanding with the Gallery, which would ensure that the Trust had adequate funding over the next three years to cover its running costs and to provide modest support to schemes and projects put forward by the Gallery and other partners.

### **9(d) Investment Report**

Allegra Berman, Chair of the Investment Committee, reported on the last Investment Committee meeting. She noted that both investment portfolios had performed well, with the Portrait Fund portfolio increasing in value by 8.2% over the 2014 calendar year and the Investment and Contingency (I&C) portfolio increasing in value by 9.8% over the year. She explained the asset allocations which had been agreed in order to reduce risk across the portfolios, and especially the I&C portfolio, in the light of continued volatility in the financial markets.

Allegra confirmed that following the Gallery's switch to discretionary client status earlier in the year, Nick Hanks had been working with investment advisors Partners Capital to ensure that the Investment Strategy and the more detailed Investment Policy Statement reflected the Charity Commission's best practice guidance. Allegra reported that minor changes to the documents

which reflected the change in status had been approved by the Committee, and confirmed that the two documents would be reviewed again at the next Investment Committee meeting in May.

#### **9(e) Ethical Investments**

Allegra reported that the Committee had discussed the issue of socially responsible investment (SRI), as this was an issue of concern to Trustees. Partners Capital had confirmed that the exposure of both portfolios to investments associated with 'sensitive sectors' was very low – 2.3% for the Portrait Fund and 0.7% for the I&C portfolio. There were no direct investments in tobacco or arms, as required by the investment strategy. However, to move to fully SRI compliant portfolios would increase fees by around 40% and would restrict the pool of investments available to the Gallery. Allegra said that the Committee concluded that the cost of reducing the present, very small exposure to sensitive sectors would be disproportionate to the benefits of moving to fully SRI compliant portfolios. Trustees acknowledged that the exposure to sensitive sectors was very low and for the time being decided to continue with the current investment strategy.

#### **9(f) Reserves Policy**

Nick Hanks explained that the Gallery's Reserves were modest and as a result the reserves policy needed to ensure a degree of flexibility. As a result he was not proposing any major change to the present policy. However, he did propose one small change, in that the General Fund should cover at least 75% of the value of the stock held at the Gallery, as opposed to 75% of the total stock value. This reflected that the stock held off site was insured by the external stockholders. Trustees approved this change.

The Chair thanked Allegra Berman and Nick Hanks for their reports.

Nick Hanks, Director of Finance and Planning, left the meeting.

David Ross gave his apologies, and left the meeting.

#### **11. Acquisitions & Disposals Policy**

The Chair welcomed Tarnya Cooper, Chief Curator, back to the meeting. Tarnya presented the updated *Acquisitions & Disposals Policy*, and outlined the changes that had been made since 2010 (following legislation changes and improvements in Curatorial practice). Tarnya noted that while the Gallery's Collection contained few human remains, there were exceptions (such as Marc Quinn's *Blood Head*, for which the Gallery would require a licence following the artist's death). Tarnya also noted that in Trustees' meetings, 'Acquired since the last meeting' would be permitted under 'Chairman's Actions', thus allowing the Gallery to be nimble at auctions in particular. Tarnya also noted that the wording of the document had been revised, with the terminology updated (the Trustees discussed the relative merits of certain words, noting that 'eminence' had been removed).

The Trustees approved the updated *Acquisitions & Disposals Policy*.

Tarnya Cooper, Chief Curator, left the meeting.

#### **12. Estates and Operations**

The Trustees confirmed that they had received and read the *Estates and Operations Report*, and thanked Lee Winters, Director of Estates and Operations, and his team for their continuing work.

**13. Communications and Development**

The Trustees confirmed that they had received and read the *Communications and Development* Report, and thanked Pim Baxter, Acting Director & Director of Communications and Development, and her team for their continuing work.

**14. Participation and Learning**

The Trustees confirmed that they had received and read the *Participation and Learning* Report, and thanked Liz Smith, Director of Participation and Learning, and her team for their continuing work.

**15. Any other business**

The Acting Director asked whether the Trustees agreed that in recognition of his outstanding contribution to the Gallery, in the year of his eightieth birthday (which was being celebrated with a special photographic display at the Gallery later in the summer) the Gallery should make Sir Roy Strong an 'Honorary Patron'. This is a very small category of individuals: Lord Browne of Madingley, Lord Carrington, Mrs Drue Heinz, Hon. DBE and The Rt Hon Lord Weidenfeld, GBE. The Trustees approved the decision.

**Appended list of portraits on offer**

**6991 SIR WILLIAM AGNEW, 1<sup>st</sup> Bt** (1825-1910), Art dealer. Oil on canvas, 1018 x 1270 (40 x 50). By Frank Holl (1845-1888), signed and dated, 1883.

The portrait was accepted at the November 2013 Trustees Meeting as a loan with the intention of making an acquisition when funding became available. The purchase has now taken place.

**6992 LADY EDNA CLARKE HALL** (1879-1979), Artist. Drawing, 350 x 300 (13 ¾ x 11 ¾). Self-portrait, c.1899.

Provenance checklist to be completed.

**6993 RICHARD ADDINSELL** (1904-1977), Composer. Bronze bust, 540 (21 ¼) high. By Clemence Dane (Winifred Ashton), (1888-1965), signed with initials and dated by artist 'C D/35' lower right, c. 1935.

Bequeathed by Richard Addinsell to the present owner. Provenance checklist completed.