

National Portrait Gallery

740th MEETING

Minutes of the Meeting of the Trustees held at the National Portrait Gallery on
Thursday 20 May 2010

Present: Professor Sir David Cannadine (Chairman)
Ms Zeinab Badawi
Professor Dame Carol Black
Dr Rosalind Blakesley
The Marchioness of Douro
Lord Janvrin
Sir William Proby
Mr David Ross
Professor Sara Selwood
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 welcomed two new trustees, Professor Dame Carol Black and Dr Rosalind Blakesley. He announced that the Rt Hon. Nick Clegg had become an ex-officio Trustee as Lord President of the Council. He reported that Crispin Odey had accepted the invitation to become a trustee of the Portrait Fund. The Director drew attention to the expiry of the terms of office of three existing trustees of the Portrait Fund. The Trustees agreed to extend by a further four years Sir David Cannadine, the Marchioness of Douro and Amelia Fawcett as trustees of the Portrait Fund.

The Chairman paid tribute to Sara Selwood for her outstanding service as a Trustee and her great contribution to the work of the Gallery. With a new government in place, it was hoped that it would now be possible to progress the recruitment of a Trustee in the field of the arts to replace her.

2. Apologies for absence and Declarations of interest

Apologies for absence were received from Sir Nicholas Blake, Dr Augustus Casely-Hayford, the Rt Hon. Nick Clegg, Ms Amelia Fawcett, Sir Nicholas Grimshaw and Mr David Mach. In the discussion on agenda item 8, Finance and Planning, 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 25 February 2010 were approved.

4. Matters arising

The Director drew attention to the recently launched 'Late Shift' promotion of the late-night opening programme on Thursday and Friday evenings with the support of FTI Consulting for two years. He said that there would be an opportunity to inspect the LED lighting experiment at the end of the meeting. On the website and digital provision, Sir William Proby reported on his informal meeting with Gallery staff earlier in the day. Out of this

meeting and others, a programme for further action would be identified, subject to resources. A further report would be made to Trustees in due course.

5. Director's report

The Director reported on the lunch held to celebrate the 10th anniversary of the Ondaatje Wing. He said that work on sharing a collections store with Tate was moving forward and drew attention to the report on Freedom of Information requests. On the appointment of investment managers, Lord Janvrin reported that the Investment Committee had narrowed the field to two firms. He noted the expertise to be had on the committee itself which would help in the process of defining investment parameters. The Director hoped that it would be possible to bring recommendations to the next meeting of Trustees.

The Director added that a joint National Portrait Gallery/National Gallery team had beaten the Royal Household 4-1 in a football match played for charity. He drew attention to the choice by the Cultural Leadership Programme of Pim Baxter in their national list, 'Women to Watch'.

6. Portraits on offer

The Director and the Chief Curator reported on three previously considered portraits.

Sir Anthony Van Dyck's late *Self-portrait* had been on offer for £9.3 million. It had been the subject of a fundraising campaign jointly with Tate that had reached £3 million, with generous offers or indications of support from six charitable foundations including the Art Fund. However, the National Heritage Memorial Fund had turned down our joint application for a grant of £5.5 million. The Fund did not doubt the significance of the portrait and its relevance to the two institutions. Their refusal was based on their judgment of the financial resources available to them in the current financial year. We would continue to watch this portrait to see if there may be a subsequent opportunity to acquire it, whether as a result of an export stop or in some other circumstance. We would also work with the Art Fund to expand the circle of high-level supporters for acquisitions and we would consider making a representation to the Secretary of State, jointly with Tate, concerning the level of funding for the National Heritage Memorial Fund and for museum acquisitions.

William Hoare's portrait of Ayuba Suleiman Diallo, valued at £554,937 at export, was the subject of a temporary export stop. Applications to the Heritage Lottery Fund and the Art Fund for support would both be considered on 10 June. Subject to the outcome of these two bids, the intention was to seek additional private funding.

Alex Katz's portrait of Anna Wintour, currently on display at the Gallery as a loan, was the subject of a number of fund-raising approaches towards the cost of \$300,000.

Following discussion of two new offers, the Chief Curator drew attention to three photographs by Herbert Ponting of participants in Scott's Antarctica expedition on offer by a New York dealer. The Trustees agreed that they would like to see these photographs at the next Trustees' meeting.

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

7. Commissions

Rosie Broadley, Associate Curator, Contemporary Collections, reported progress on current commissions. Tony Blair was currently unavailable to sit for a portrait but we would consider how to advance this commission. An approach would be made to Gordon Brown to sit for his portrait in due course, as we have done for all former prime ministers. On future commissions, Trustees' preferences were discussed and it was agreed that portraits should be commissioned of Sir Nicholas Serota, Sir Stelios Haji-Ioannou and Helena Kennedy,

Baroness Kennedy. The Director took up the suggestion that the Gallery should represent more contemporary sitters by drawings and said that we should review the representation of film directors next year.

Action point: Gallery staff to put in hand three new commissions

8. Finance and Planning

Sir William Proby said that at this stage in the preparation of accounts, it would appear that there would be a small surplus in the financial year 2009/10 though final adjustments for accruals had yet to be made. Final results would be brought to the July Trustees' meeting. On the Variance Analysis to 31 March 2010, he highlighted the need to understand whether the underspend in Learning was a matter of timing or a difficulty in achieving the desired results in particular circumstances. He welcomed the cost savings in exhibitions and drew attention to the healthy income figures driven by good visitor numbers. Nick Hanks, Head of Finance and Planning, explained that the Learning department was made up of smaller sections, within which there were some underspends and some savings, which when aggregated formed a large element of the underspend. The budget outcome would be examined carefully.

The Key Performance Indicators were tabled. The Gallery website figures were noted, as was the decrease in BME figures which would be subject to further analysis. Visitor Satisfaction figures were very good. Sir William drew attention to the benefits which would accrue should we be able to increase the income figure per visitor.

The Director reported on the new Secretary of State's recent speech to cultural leaders. A further report to Trustees would be made on the funding situation.

9. Audit and Compliance Committee

David Ross, Chairman of the Audit and Compliance Committee, reported on the recent review of the Corporate Risk Register. Nick Hanks drew attention to the outstanding debt owed by Seatem, the online ticket sales supplier, and the steps that were being taken to recover the debt, as discussed by the Committee. There had been a significant write-off of publications stock within the 2009/10 financial year. On individual risks, 'Reduction in funding levels from DCMS' remained at Red, while 'Risk from Gallery's suppliers' and 'Credit risk of customers and poor credit control' had been increased from Green to Amber in the current financial situation, in the light of the problems encountered by Seatem. The risk headed 'Staff morale' had also been increased from Green to Amber owing to the prolonged recent pay negotiations and possible difficulties again this year, a number of operational issues and some sense of staff under pressure as a result of increased visitor number. Further discussion focused on the value of regular staff surveys, the development of the disaster recovery plan and the risks associated with receiving sponsorship from BP at the present time.

David Ross drew attention to the Risk Management Annual Report, in particular to the significant areas of risk for 2010-11. On the Annual Review of Risk Appetite, Trustees were content to continue with the present risk appetite framework and the evaluation criteria. David Ross reported that good progress had been made in implementing both the internal audit recommendations and those made by the National Audit Office in their 2008/9 Audit Completion Report.

10. National Programmes and National Strategy

Sarah Tinsley, Head of Exhibitions and Collections Management, set out the importance of the Renaissance in the Regions and the Strategic Commissioning funding streams to the Gallery's national programmes. These programmes had been incredibly successful but

were vulnerable to the future funding situation. We would wish to maintain our programmes and to inform them by understanding our partners' needs.

The proposed National Strategy had three themes, around which the future programme would be structured. Laura Down, National Programmes Manager, explained that it was designed to provide a flexible planning framework, responding to audiences. We would wish the knowledge so gained to inform our programmes at the Gallery. The National Strategy would be accompanied by a delivery plan.

Trustees welcomed the National Programmes paper and that on the National Strategy, while highlighting the vulnerability of the programmes to reductions in funding. Various thoughts emerged: the need to tailor the volume of activities to available resources, the importance of a profound relationship with regional partners if the relationship is to be sustained, and the difficulties of reaching certain BME audiences on the one hand and the similarities in visitor profile between our audience and that at National Trust properties on the other.

11. Review of the Rights and Images Operation

Robert Carr-Archer, Head of Trading, and Tom Morgan, Head of Rights and Reproductions, highlighted the rapidly changing nature of the market and the significant reduction in the profitability of the Gallery's Rights and Images operation. Steps had been taken to automate transactions and to reduce costs while extending availability to non-commercial users, a process which was ongoing, so that the future focus should be on the more profitable part of the operation. Further work on collections photography and digitisation was taking place. A further report would be made to Trustees in due course.

12. Matters for report

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

13. Any other business

The Chairman invited Trustees to view the LED lighting experiment in rooms 13 and 14.

Appended list of portraits on offer, 20 May 2010

EDGAR HOLLOWAY, printmaker and painter, self-portrait etching, 1932
Gift from Jennifer Holloway approved

MABEL LUCIE ATTWELL, children's illustrator, vintage photograph by Elliott & Fry, 1924
Purchase from Callum James Books at £350 approved