

National Portrait Gallery

767TH MEETING

Minutes of the Meeting of the Trustees held at the National Portrait Gallery on **Thursday 9 March 2017**

Present:

- Sir William Proby (Chairman)
- Dr Brian Allen
- Ms C Allegra Berman
- Professor Dame Carol Black
- Dr Rosalind (Polly) Blakesley
- Mr Rob Dickins
- Ms Kim Evans
- Dr Joanna Kennedy
- Dr Andrew Roberts
- Mr David Ross
- Mr Christopher Le Brun
- Rt Hon David Lidington MP

In attendance:

- Dr Nicholas Cullinan, Director
- Mrs Pim Baxter, Deputy Director and Secretary to the Board
- Miss Gabriella Swaffield, Manager, Director's Office (minutes)

1. Confidential Chair Discussion

[INFORMATION REDACTED in accordance with section 41 of the Freedom of Information Act 2000 – Information provided in confidence]

2. Chairman's business

The Chairman reported that the selection process for four new Trustees had been completed and the Gallery was pleased to announce that they had recruited four very good candidates. The new Trustees would be formally appointed on Monday 3rd April 2017.

3. Apologies and Declarations of Interest

There were no apologies or declarations of interest.

4. Minutes of the previous meeting

The minutes of the 766th meeting held on Thursday 3 November 2016 were agreed by the Trustees and signed by the Chairman.

5. Matters arising

There were no other matters arising.

6. Director's Report

The Director reported that the *Picasso Portraits* exhibition had now closed and had achieved its target. The visitor numbers were very high during the first half but had decreased towards the end. The *Picasso Portraits* exhibition then opens in Barcelona on 16 March and the Director and Deputy Director will be travelling there for the exhibition opening. A number of Gallery Patrons will also be going to Barcelona. *[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication]*

The Director reported that the *Making Art in Tudor Britain* project had received the final phase of funding and the Gallery had organised a two day workshop on Sir Joseph Banks. The cataloguing of the Lucian Freud Archive is about to commence and the Gallery will be applying for a grant from the Leverhulme Trust to assist with this process.

The Trustees were updated on the reorganisation of the Senior Management Team, following the report from Lucinda Harvey in November. Action has recently been taken to reflect the findings of this report and a new role has been created entitled *Director of External Relations*. The current Director of Trading will retire in July and this new role will incorporate all the external facing roles of the Gallery including Communications, Design, Trading, Publishing and Digital. These changes will affect the direct reports to the Deputy Director and Director of Exhibitions and Collections. Additionally, a new Head of Inspiring People role, reporting to the Deputy Director will be funded as part of the HLF bid and the Head of HR role will be recruited in due course. The restructure was announced at the Senior Management Team meeting in January and received a positive response from staff.

[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]

7. Offers for Consideration

The Curatorial Director, Tarnya Cooper, and Curators presented the portraits on offer to the Gallery, which included a portrait of James 'Jem' Daniels by William Daniels, a drawing of Sir M.D. Wyatt by Frederick Bacon Barwell, a Self-Portrait by Josef Herman, a stained glass self portrait by Pauline Boty, a portrait of Celia Birtwell by David Hockney, a self portrait etching of Hans Schwarz, a distortograph of Ramsay MacDonald by Herbert Smith Ponting and a print of Jean Muir and models by Deborah Turberville. In addition, the Trustees approved the purchase of a painting by Colin Davidson of Edward Christopher Sheeran.

The Trustees advised that the Gallery ensures print rights are secured for the Ed Sheeran painting and that the sitter is included in a photo call at the Gallery. The Trustees requested curators continue to explore opportunities to extend the representation of sitters from the widest range of achievement as possible.

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

8. Update on Current Commissions

[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication]

The Trustees discussed the timeline for the sitters on the current Commissions list and it was agreed that sitters would be informed that the offer for a commission would be open for a three year period.

9. Inspiring People update

The Deputy Director reported on the progress of the *Inspiring People* project. The Heritage Lottery Fund (HLF) application bid was submitted and the Deputy Director congratulated colleagues on their hard work. [INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest] On 23 February 2017, the HLF site visit occurred and [INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information] joined for the meeting and [INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information] attended to talk about the Skills Sharing Network part of the Activity programme.

[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]

The Trustees discussed the level of involvement they should have in this process and the impact of the work on the Gallery if the bid is successful. The Trustees agreed that further information should be included in the next *Inspiring People* update at the May meeting.

10. Finance and Planning

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

10(a) Management Report for six months to 30 September 2016

[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]

The Chairman thanked BA for the report.

10(b) 2017/22 Corporate Plan Context and Strategic Objectives

The Director of Finance and Planning reported on the substantially recast Corporate Plan which he explained had been expanded to a ten year plan taking the HLF *Inspiring People* Project into consideration. Two additional strategic objectives have been added which included the sharing of skills and expertise and the creation of an expanded digital presence. He noted that the Plan contained a more detailed set of strategies for delivery of the objectives which was set in the first five years of the Plan. He drew Trustees' attention to the Key Performance Indicators established for the period of the Plan. [INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]

The Trustees discussed the Employee Survey, which was currently held every two-three years, and it was agreed that the frequency of the surveys should be increased or focus groups introduced to anticipate problems and monitor staff morale over the coming years, which could be impacted by the *Inspiring People* project. The Trustees were advised that there would be an Employee Survey taking place in the second quarter of this year and the Interim Director of HR had suggested that the survey should be conducted in the Autumn. The Trustees agreed that the instigation of an Annual Employee survey should be investigated.

10(c) Budget 2017-2020

[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication; and 43(2) of the Freedom of Information Act 2000 – Commercial interest]

10(d) Reserves Policy

The Reserves Policy was approved to be kept the same.

10(e) Investment update

Allegra Berman (AB), Chair of the Investment Committee, reported that the Investment Committee meeting was held on 6th February. She reported on the balances held in the Gallery's investment portfolios. The Investment and Contingency portfolio stood at £4.62 million, an increase of 8.3% since the beginning of the financial year and 11.1% over the calendar year which was significantly ahead of its benchmark.

The Portrait Fund portfolio stood at £7.18 million, an increase of 7.8% since the beginning of the financial year and 6.4% in the calendar year, which had underperformed.

The Catalyst Fund portfolio stood at £977,000, the value increased by £6.5% since March and 4.6% in the calendar year. Both the Catalyst and Portrait Funds have underperformed in a similar manner due to the benchmark having greater exposure to inflation linked bonds.

She reported that the investment advisors, Partners Capital, believed that inflation would rise in 2017, due to Brexit and the policies proposed by President Trump. However, the outcome in the USA could either be reflation or stagflation and Partners Capital had strategies for each. In the meantime the priority was to maintain diversity in the portfolios.

No new Asset allocations were proposed for the portfolios in light of market conditions. The return target was agreed to be reduced for the Investment & Contingency Fund from RPI + 1% to RPI, with the continued key objective being capital preservation rather than capital appreciation. Different asset return targets were considered for the Portrait and Catalyst Funds and Partners Capital suggested the decrease of RPI +4% to RPI+2% and the Committee agreed this was reasonable given the prevail conditions in world markets.

11. Audit and Compliance Committee: Risk Management update

[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]

The Internal Audit programme for 2016/17 was progressing to timetable, and work continued on the completion of outstanding recommendations from previous years. The NAO were not present at the meeting but had submitted a brief statement on the outcome of their interim audit in preparation for the 16/17 year end, stating that the audit had gone well with no material issues to report to the Committee. The company's external auditors presented their audit strategy for the company's 16/17 year end.

12. Reports to Note

The Trustees noted the reports on Estates and Operations, Communications and Development, Participation and Learning and outgoing loans.

The Trustees agreed that Cathy Arnold (Director of Estates and Operations) should be present at a future Trustees' meeting for information purposes and to report and discuss the Estates and Operations paper further.

[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]

The Chairman noted the positive comments in the Learning and Participation paper and congratulated the staff for their hard work.

13. Any other business

There was no other business.

Appended list of portraits on offer

JAMES 'JEM' WHARTON, KNOWN AS 'YOUNG MOLYNEUX' (1813-56) by William Daniels (1813-1880), oil on canvas, 1839
Offered for long term loan

SIR M.D. WYATT (1822-77) Architect and Writer on Art, by Frederick Bacon Barwell fl.1855-c.1897, pencil on paper, c.1855
Offered for purchase by Adam Langlands for *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*

SELF-PORTRAIT BY JOSEF HERMAN (1911–2000) Artist, Oil on canvas, 1947
Acquisition-in-Lieu Scheme (pending permanent direction)

SELF-PORTRAIT BY PAULINE BOTY (1938-1966) Artist, Stained glass, 1961
Offered for purchase by Annie Fewlass for *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*

CELIA IN A BLACK DRESS WITH WHITE FLOWERS (1941–), Textile and fashion designer, by David Hockney (1937–), Coloured crayon on paper, 1972
Offered as a gift via the American Friends by Victor Constantiner (with the stipulation of a loan to Tate for their exhibition in 2017)

SELF PORTRAIT by Hans Schwarz (1922-1980), Artist, etching, 1997
Offered as a bequest by Geoffrey Austin

RAMSAY MACDONALD, DISTORTOGRAPH, (1866-1937), First Labour Prime Minister by Herbert George Ponting (1870-1935), Silver gelatin print, c. 1930
Transfer from the Photographs Collection. Purchased from Gael Newton (Photo Web) at *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*

JEAN MUIR AND MODELS, (1928-1995) Fashion designer, by Deborah Turbeville (1932-2013)
Silver gelatin print, 1975, printed 1980s
Offered for purchase by Deborah Bell Photographs on behalf of the Deborah Turbeville Foundation at *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*

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Signed by the Chairman

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Date