

# National Portrait Gallery

## 770<sup>TH</sup> MEETING

Minutes of the Meeting of the Trustees held at the National Portrait Gallery on **Thursday 2 November 2017**

**Present:**

- Mr David Ross (Chair)
- Dr Brian Allen
- Ms Allegra Berman
- Professor Dame Carol Black
- Dr Rosalind (Polly) Blakesley
- Mr Rob Dickins
- Ms Kim Evans
- Sir Michael Hintze
- Dr Joanna Kennedy
- Mr Bjorn Saven
- Sir Peter Stothard
- Ms Rachel Wang

**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. Chair's business

The Chair provided an update on Governance. Trustees were delighted that Kim Evans had accepted the Deputy Chair position. Allegra Berman had taken on the position as Finance Trustee and Brian Allen was thanked for his time in that position. Joanna Kennedy was thanked for agreeing to take on the responsibility of Project Board Chair.

Carol Black is currently chairing the A&CC and was thanked for taking this on. The Gallery with DCMS are due to recruit a Trustee to Chair and take on responsibility for the A&CC (now Audit and Risk Committee) and will shortly begin the recruitment process for this role. This Trustee will be appointed early next year.

The Chair reported that Bjorn Saven is joining the Investment Committee and suggested that perhaps Sir Michael Hintze may also wish to join the Finance Committee.

The Chair referred to the Deloitte report commenting that it was a significant and interesting piece of work, which raised numerous queries. The Chair also reported that he and the Director had met with DCMS and one of the areas they had discussed was the recruitment of an Interim Finance Director to work on *Inspiring People* and to work with the Director of Finance, Nick Hanks. This person preferably to have knowledge of construction and projects.

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

The Chair noted that the Governance Review and skills audit had been completed and it would be helpful to show DCMS with regard to the current range of skills on the Board. The Chair concluded that he had almost finished his one to one meetings with Trustees and thanked all of those Trustees who had taken on extra responsibilities.

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

Apologies for absence were received from The Rt Hon Andrea Leadsom MP, Dr Andrew Roberts and Mr Christopher Le Brun.

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

Subject to a small amendment, the minutes of the 769<sup>th</sup> meeting held on Thursday 5 July 2017 were agreed by the Trustees and signed by the Chair.

## **4. Matters arising**

There were no matters arising.

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

The Director updated the Trustees on Gallery business since the September Review Day. Over the summer, visitors were down by 42%, but the Director noted that this was not unique to the NPG and the Gallery was investigating how this trend can be reversed. The Director suggested that increased marketing would be needed to encourage visitors to visit the permanent collection as well as exhibitions. The Room 30/31 press release was tabled and circulated to Trustees and it was noted that DCMS and the Wolfson Foundation helped to fund the refurbishment.

The Director [*INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs*]. The PowerPoint he presented to staff at a recent update on 9 October was included in their papers. He would also be presenting an update to staff on 13 November following the November Trustees' Meeting, which would cover future priorities for the Gallery.

The Director reported on exhibitions and displays and noted that the *BP Portrait Award* had attracted 234,000 visitors; however, *The Encounter* had underperformed despite receiving good reviews. The Director noted that the Cézanne exhibition would be closely monitored. It was currently doing well and was 97% on target. Regarding the future exhibition programme, it would be necessary to keep the appeal and attendance high and so therefore key names such as [*INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication*] are being considered. The Director assured Trustees that the future exhibition programme would be given careful thought. He also informed them that Alison Smith would be starting at the Gallery the following Monday as Chief Curator.

The Director reported on the National and International Programmes both of which were doing well. The Michael Jackson exhibition had been confirmed with three international

venues, which will bring in *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*. He reiterated that it will be crucial to plan touring exhibitions early *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*.

The Director also reported on the website, which he noted, was much improved and thanked the Director of External Relations and his team for their hard work on this.

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

*[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]* from Deloitte then joined the meeting and updated the Trustees on their business review report.

Deloitte reported that *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]* and that the budgets were prepared in a robust and accurate way. *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*

Deloitte explained to Trustees that they had looked at how the budget had been prepared as well as looking at historical budgeting accuracy. They concluded it was prepared in a robust way and no cost lines missed out. In 2021-22, with *Inspiring People* planned, the budget reflected the impact on income of closures to the building during the building refurbishment process.

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

Deloitte also recommended looking at the current reserves policy and suggested a 3-month buffer of funds to maintain a level of reserves to cover operating expenditure.

The Chair thanked *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]* for their report.

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

The Chair and Director also discussed the Late Shift programme, which from June 2018 would only be on a Friday evening. This would free up Thursday evenings for corporate hire. The Chair reported that the new budget would be built around these different plans going forward and *[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication]*.

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

## **6. Finance and Planning**

### **6(a) Management Report for six months to 30 September 2017**

The Director of Finance and Planning reported [*INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication*]

The Chair thanked NH for his report.

### **6(b) Reserves Policy**

The Trustees discussed the Revised Reserves Policy. A buffer of four months of net operational expenditure was suggested by the Director of Finance and Planning. Trustees would review this, as it does not have to be published until the New Year.

### **6(c) Investment Report**

Allegra Berman (AB), Chair of the Investment Committee, updated Trustees on the Committee's recent business.

- The Portrait Fund portfolio stood at £9,504,663 and had increased by £333,000 (3.6%) so far this year. The target performance for the portfolio in the year was RPI+2%, which would be about 5.3% for the year – based on an average RPI of 3.3%. The portfolio was on track to achieve this target by the year-end at the current rate.
- The Catalyst Fund stood at £668. This was an amount held back in the portfolio to fund any outstanding fees and charges incurred in the process of closing the portfolio. The portfolio was expected to be wound up in the year and any residual amounts would be transferred to the Portrait Fund portfolio.
- The Investment & Contingency portfolio stood at £3,732,927. Since the beginning of the year, the Gallery had drawn £540,000 from the portfolio for working capital management. Taking this into account the portfolio had maintained its value since the beginning of the financial year. The target for the portfolio in a year was to match RPI, which would be around 3.3%, and as such, the portfolio was behind that return target as of now, by around £70,000.

The Chair thanked AB for her report.

## **7. Audit and Compliance Committee**

### **7(a) Risk Management**

Dame Carol Black (CB), Chair of the Audit and Compliance Committee (A&CC), updated the Trustees on the Committee's recent business. At its last meeting, the A&CC reported that the NAO had presented their 2017/18 audit strategy [*INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication*]. The NAO would also be reviewing how the Gallery accounted for the work on the *Inspiring People* project.

The Trustees queried that some of the risks, currently highlighted with an Amber RAG score, might in fact be scored as Red. However, NH clarified that more information about the risks were detailed in the A&CC minutes in the papers which were circulated to all Trustees providing the reasoning behind the RAG scores.

The Chair thanked CB for her report.

## **8. Offers for Consideration**

Curators presented the portraits on offer to the Gallery, which included a self-portrait by Theodore Spicer-Simpson and a commissioned film of BBC Today Programme presenters by Nigel Shafran.

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

## **9. Update on Current Commissions**

The Chair welcomed Sarah Howgate, Senior Curator of Contemporary Portraits, to the meeting. Sarah Howgate (SH) reported that progress had been made on a number of new commissions since the July 2017 meeting of the Board of Trustees.

SH reported that the portrait of Sir Harry and Lady Carol Djanogly had been completed and would be presented to Trustees at the March 2018 meeting.

SH provided Trustees with an update on *[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication]*.

The Chair suggested that *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*. *[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication]*.

SH updated Trustees on new projects and Trustees were asked to reconsider the posthumous portrait of WG Sebald by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]*, *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*. The Trustees agreed that WG Sebald should be in the Collection, however, the Trustees declined the offer of a posthumous commissioned portrait by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]*. Trustees queried the process of bringing back names for reconsideration and enquired about examples of other sitters who had been rejected in the past.

SH spoke about an idea from *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]* that we should consider commissioning a portrait of *[INFORMATION REDACTED in accordance with section 22 of the Freedom of Information Act 2000 – Information intended for future publication]*. SH and the Curators were thanked for their update to Trustees by the Chair.

## 10. *Inspiring People* update

The Deputy Director, Pim Baxter (PB), updated Trustees on the *Inspiring People* project and reported that it had been a busy couple of months for the team. The new Head of *Inspiring People* post had been filled by Silwat Haider (SiH) who previously managed the Hinzte Hall project at the NHM. The Deputy Director reported that SiH has started the OJEU process to procure a cost consultant and an external project manager by open processes, however there will be a restricted procedure for the procurement of the Architect and Design team. The questionnaire has just been launched and the Gallery has received 120 expressions of interest so far and the questionnaire will close in the next few weeks. The Gallery will shortlist from that list and then more information about the project will be provided to those chosen.

On 28 November there will be a Q&A session and tour at the Gallery for those shortlisted and the Gallery hope to have the Project Manager and cost consultant in place by the first week of December. Architect interviews will take place at the beginning of January.

The Gallery's HLF monitor, *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]*, will be working closely with the Gallery and a date has now been set for the mid-year review meeting, which will be a 3-4 hour meeting in September 2018 before the Second Round of application to the HLF for permission to begin the delivery phase. The Deputy Director updated the Trustees on the *Inspiring People* Fundraising Campaign and reported that *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*. Pleasingly, the HLF grant unlocked the opportunity to submit grant applications to *[INFORMATION REDACTED in accordance with section 43(2) of the Freedom of Information Act 2000 – Commercial interest]*. It was suggested that the Trustees should meet the new Director of Estates and Operations, Robert Barr, who replaced Cathy Arnold in October. *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*.

The Deputy Director was thanked by the Chair for her report.

### **Market Research**

DV and BW presented a PowerPoint to Trustees on the summary of market research.

The Trustees discussed the exhibitions programme *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*

The Director of External Relations, Ben Weaver, provided an update to Trustees on retail and catering. BW reported that *Cézanne* revenue was currently higher than the *Picasso* exhibition and that *Cézanne* was tracking *Picasso* in terms of numbers. BW also noted that catering was up by 20% in September and the Gallery needed to focus on creating an 'all-round Gallery experience' for visitors. Company of Cooks contract was due to expire at the end of November and Trustees agreed the extension of the contract. The Chair noted that the Gallery should be ambitious with its commercial activity and BW suggested the basement café needs further thought as well as extending visitor dwell time in the Gallery. The Chair thanked BW and DV for their report.

**11. GDPR and Data Protection Policy**

The Records and Archive Manager, *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal information]* (PJ) presented to Trustees on GDPR and the Data Protection Policy. *[INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Prejudice to effective conduct of public affairs]*. PJ also reported that a responsible owner at Board Level should be appointed by 25<sup>th</sup> May 2018 and it was subsequently suggested that Rachel Wang may wish to take on this role but this would be discussed further at a later date. The Chair thanked PJ for her report.

**12. Reports to Note**

The Trustees noted the reports on the Archive, National Programme, Estates and Operations, External Relations, Development, Participation and Learning and outgoing loans. The Archive Policy was approved as no objections were raised during the meeting.

**21. Any other business**

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

**Appended list of portraits on offer:**

**SELF PORTRAIT BY THEODORE SPICER-SIMPSON (1871-1959),**

Ink and pencil on paper, c.1894  
Offered as a gift by Annabel Greenwood

**TODAY EVERYDAY BY NIGEL SHAFRAN, 2017**

Single channel video with audio component of BBC Radio 4 Today Programme Presenters  
Commissioned by the Trustees of the National Portrait Gallery

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Signed by the Chair

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Date