

National Portrait Gallery

Minutes of the 775th Meeting of the Board of Trustees, held on 13 March 2019

PRESENT: Mr David Ross (Chair)
Dr Brian Allen
Ms Allegra Berman
Mr Roger Blundell
Mr Rob Dickins
Mr Marcus Harling
Sir Michael Hintze
Dr Joanna Kennedy
Mr Christopher le Brun
Mr Bjorn Saven
Sir Peter Stothard
Mr Andrew Roberts
Mr Christopher Townsend
Ms Rachel Wang
Professor Shearer West
Mr Jonathan Yeo

APOLOGIES: The Rt Hon Andrea Leadsom MP

IN ATTENDANCE: Dr Nicholas Cullinan Director
Mrs Pim Baxter Deputy Director and Secretary to the Board
[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]

1. CHAIRMAN'S BUSINESS

- 1.1 The Chairman welcomed Professor Shearer West to her first meeting of the Trustees.
- 1.2 The Chairman congratulated the Director and his team on the success of the fundraising auction ("the auction"), held at Christie's on 6 March 2019, and the 2019 Portrait Gala ("the Gala"), held on 12 March 2019.
- 1.3 The Chairman proposed that Chris Townsend be appointed as a Director, and act as Chair of The National Portrait Company Limited (the "Trading Company"). The Board approved the appointment of Chris Townsend as a Director of the Trading Company with effect from 13 March, 2019 and authorized the Chair to sign notice of the appointment.

2. DECLARATIONS OF INTEREST

Except as previously declared by Trustees, there were no conflicts of interest to be declared in respect of the business of the meeting.

3. MINUTES

The minutes of the 774th meeting held on Thursday 8 November were agreed by the Trustees and signed by the Chair.

3. ACTIONS AND MATTERS ARISING

None.

4. DIRECTOR'S REPORT

- 4.1 The Director presented his report.
- 4.2 The Director reported on the success of both the auction and the Gala. The auction raised a total of £476k, with some additional funds to be received. The Director thanked *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]* donation to the event. The Gala achieved its target of £500k on ticket sales alone, with a further £100,000 raised at the event itself.

5. OFFERS FOR CONSIDERATION

- 5.1 *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*, presented the works on offer.

The works consisted of a watercolour of Benjamin Britten by Mary Potter; an oil on canvas of Lady Helen Brook by William Roberts; four works on paper by Richard Nicholl (Rule Three* applies), nine pencil and conté compressed charcoal on cartridge paper by Nina Mae Fowler as part of the Film Directors Commission and a photograph of Charlene White by Simon Federick (as part of 'Black is the New Black').

- 5.2 Trustees noted that the works on paper by Richard Nicoll and that of Charlene White by Simon Federick were offered under Rule Three.

**The Trustees may consider the admission of portraits of persons of eminence, whether living or deceased within the previous five years. As to portraits of the living, if a person is not already represented in the [Primary] Collection, and if so many as three Trustees shall personally at the meeting, or previously by letter, state their dissent to the acquisition of a portrait, no portrait of that person should be considered by the Trustees for a period of three years from that date.*

- 5.3 The Trustees approved the acquisition of the portraits on the appended list.

6. INSPIRING PEOPLE UPDATE

- 6.1 Pim Baxter reported on the work of the *Inspiring People* project team. The team had been working hard to prepare the Gallery's Outline Business Case ("OBC") submission to DCMS, and to prepare an application for funding by the Heritage Lottery Fund ("the HLF"). These would demonstrate not only the economic case for the project, but would set out the activity and interpretation plans to show how the project would promote the Gallery's long term strategic goals.
- 6.2 *Pim Baxter then reported that the team had had to undertake a value engineering exercise, as project costs at RIBA Stage II had been over budget. Pim Baxter presented slides summarizing the changes that had been made. These included changes to some interior archways, refurbishment of the main staircase (instead of works to transform it), and changes to the fixtures and fittings to be used in the Gallery Shop. [INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Effective conduct of public affairs] Jo Kennedy confirmed that the savings identified had not been detrimental to the vision for the project*
- 6.3 Pim Baxter reported that funds of some £28.6 million had now been raised for the project. *[INFORMATION REDACTED in accordance with section 43 of the Freedom of Information Act 2000 – Commercial Interests]*
- 6.4 The team was now planning the next phase of delivery, and noting what decisions would have to be made and when. This plan would be brought back to the Trustees.

Action Pim Baxter ([*INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data*])

7. INSPIRING PEOPLE FINANCE REPORT

[*INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data*] presented her report. It was noted that the full budget of £2.4 million allocated to the project development phase would be fully spent.

8. FINANCE REPORT

8.1 The budget for 19/20 was submitted to the Board for approval. The Board discussed this, the financial sustainability of the *Inspiring People* project, as well as the temporary budget relieving measures that the senior team had put in place.

8.2 Employer contributions on the civil service pension will be increasing during 2019 by up to 28%. This would significantly impact the Gallery's pension costs. During the autumn budget announcement there was provision that increases for Arm's Length Bodies (ALB's) would be covered by Treasury. The Chair would enter into conversations regarding pension funding with DCMS and other ALB Chairs.

Action David Ross

8.3 A Deed of Covenant was submitted to the Board for approval.

The budget and the Deed of Covenant were approved by Trustees.

9. DCMS OUTLINE BUSINESS CASE

9.1 The latest draft of the OBC to be submitted to DCMS had been circulated to Trustees before the meeting. [*INFORMATION REDACTED in accordance with section 36 of the Freedom of Information Act 2000 – Effective Conduct of Public Affairs*]. The team had been through the methodology used with DCMS economists, who had informally endorsed the selection of the base case.

9.2 The Board discussed the OBC at some length. The OBC had to demonstrate the scale of the ambition of the project and how the value created by it would endure for decades. The Business case should demonstrate clearly how improving the building would improve the Gallery's, local, national, international and digital reach, and particularly how the latter could make the Collection available to many more people across the Nation. The Board suggested that this might usefully be supported by the inclusion of more narrative and images, including "before and after" shots.

9.3 Jo Kennedy asked that the directors of the Trading Company and Board Committee members review the Business Case carefully to ensure that they considered the base assumptions used to be reasonable. A full business case would be prepared when the construction works had been tendered and costed. Pim Baxter and [*INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data*] requested any Trustee comments on the Business Case before 20 March, 2019.

9.4 Subject to its comments and to further comment and amendment which, in the opinion of the *Inspiring People* Project Board, would not materially change the draft reviewed, the Board approved the Business Case and its submission in April 2019 to DCMS.

10. COMMITTEE REPORTS

The Chairs of the Audit and Risk, Finance and Investment Committees reported on the business undertaken at meetings since the last meeting of the Trustees. The Board noted that the board of the Trading Company had confirmed that it believed the base case retail and catering assumptions used in

the Business Plan were reasonable. Allegra Berman agreed to speak to *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]* and to report back to the Board on the performance of the Gallery's investment custodian, Partners Capital.

Action *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*

[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data] left the meeting.

11. ADVISORY ETHICS COMMITTEE UPDATE

The Advisory Ethics Committee update was given in private.

[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data] returned to the meeting.

12. QUESTIONS ON REPORTS FOR READING

The following reports were taken as read, and no issues of concern were raised: (a) Development Report (b) Estates & Operations Report, (c) External Relations Report, (d) Update on Commissions, (e) National Programmes Update, (f) Learning Report, (g) Loans Out

13. ANY OTHER BUSINESS

Secretary's Note: the formal meeting was preceded by a lunch at which the Trustees noted and discussed the Board's existing Board Committee and governance structure, and a number of actions were agreed. The Board agreed that, should they think it necessary, the Board and Committee chairs, the Director and the Deputy Director, should be authorized together to agree interim changes to these arrangements to ensure appropriate oversight and challenge of the *Inspiring People* project and its attendant risk.

14. NEXT MEETING

The next meeting of the Board of Trustees would be held on Wednesday 15 May, 2019.

Chair

Appended list of portraits on offer

BENJAMIN BRITTEN, composer, watercolour by Mary Potter, c. 1960

Offered as a gift by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*, accepted.

LADY HELEN BROOK, birth control advocate and counsellor, oil on canvas by William Roberts, c. 1937

Offered as a gift by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*, accepted.

RICHARD NICOLL, fashion designer, mixed media on grey board by Howard Tangye, 1999.

Offered as a gift by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*, through the Amar Gallery, accepted.

RICHARD NICOLL, fashion designer, mixed media on Bockingford paper by Howard Tangye, 2016.

Offered as a gift by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*, through the Amar Gallery, accepted.

RICHARD MALONE, fashion designer, mixed media on paper by Howard Tangye, 2015.

Offered as a gift by *[INFORMATION REDACTED in accordance with section 40 of the Freedom of Information Act 2000 – Personal Data]*, through the Amar Gallery, accepted.

Film Directors Commission

AMMA ASANTE, film director and screenwriter

PAUL GREENGRASS, film director, producer, screenwriter

ASIF KAPADIA, film director

KENNETH CHARLES ('KEN') LOACH, film director

SAM MENDES, film director

NICK PARK, film director and producer

SALLY POTTER, film director and screenwriter

SIR RIDLEY SCOTT, film director

JOE WRIGHT, film director

All pencil and conté compressed charcoal on cartridge paper by Nina Mae Fowler, 2019, all commissioned by the Trustees of the National Portrait Gallery for *[INFORMATION REDACTED in accordance with section 43 of the Freedom of Information Act 2000 – Commercial Interests]* Accepted under rule three.

CHARLENE WHITE, journalist and broadcaster, archival inkjet print by Simon Frederick, 2016.

Offered as gift by the photographer with funding from Oath, as part of the 'Black is the New Black' Portfolio

Chair

Date