

**NATIONAL MUSEUMS SCOTLAND
BOARD OF TRUSTEES**

**MINUTES OF THE MEETING HELD ON 01 FEBRUARY 2013 AT THE NATIONAL
MUSEUM OF SCOTLAND, EDINBURGH**

Present:

Mr Bruce Minto	Chairman
Dr Isabel Bruce	Trustee
Dr Anna Gregor	Trustee
Mr Andrew Holmes	Trustee
Mr Miller McLean	Trustee
Professor Malcolm McLeod	Trustee
Professor Stuart Monro	Trustee
Mr Jamie Troughton	Trustee

Dr Gordon Rintoul (GR)	NMS Director
Mr David Spilsbury (DS)	Director of Finance & Planning
Ms Julie Brown (JB)	Head of Corporate Policy & Performance
Ms Jane Ferguson (JF)	Head of Marketing & Communications (for Item 7)
Ms Fiona Stewart (FS)	Director of Estates & Facilities (for Items 8, 9 and 10)
Mr Steve McLean (SMcL)	General Manager, National Museum of Flight (for Item 8)
Mr Stephen Allen (SA)	Head of Learning & Programmes (for Item 12)

Apologies:

Mr Iain Watt	Trustee
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PRELIMINARIES

The Chairman updated the Board on the progress of the Trustee recruitment round. It was noted that the interviews had taken place as planned in late January. The Cabinet Secretary for Culture & External Affairs would be making her final decision by March which meant we were still on schedule to have new Trustees appointed by 01 April. The Chairman expressed his thanks to Isabel Bruce and Miller McLean for their participation with him on the selection panel organised and chaired by the Scottish Government.

ITEM 1 – APOLOGIES

1.1 Apologies were received from Iain Watt.

ITEM 2 – MINUTES OF THE MEETING HELD ON 23 NOVEMBER 2012

2.1 The minutes of the meeting held on 23 November 2012 were approved.

ITEM 3 – MATTERS ARISING

3.1 Matters arising from the last meeting were taken under the main agenda items.

ACTION

ITEM 4 – DECLARATION OF INTERESTS

4.1 It was noted that there were no declarations of interests from Board members in relation to the substantive items on the agenda.

ITEM 5 – DIRECTOR’S REPORT TO THE TRUSTEES **NMS (2013) 01**

5.1 The Director presented his report which had been circulated and tabled two internal organisational charts (ref. Section 4.2 of the Director’s Report).

5.2 Trustees highlighted their continued interest in the future direction of Public Programmes. It was confirmed that the new Director of Public Programmes (Ruth Gill) would be reviewing this key area as a whole following her arrival at the end of February.

RG

ITEM 6 – FINANCIAL REPORT **NMS (2013) 02**

6.1 David Spilsbury presented the report which had been circulated. The Board of Trustees noted the following:

- The financial position in 2012/13 had improved since the mid-year report.
- We continued to forecast a significantly smaller revenue deficit for the year than budgeted, mainly connected to expenditure on estates projects being delayed.
- The deficit might further reduce in the remainder of the year.
- That, as reported at the last meeting, uncertainty surrounding our ability to carry funds between financial years via Board Reserves had been created by changes proposed by the Scottish Government. This was increasingly significant as the year-end approached.

With regard to the final point, it was agreed that the Board may need to consider the value and use of the Board Reserve going forward, once the Scottish Government had clarified how their changes would impact specifically on charitable NDPBs such as ourselves.

DS

6.2 The Board of Trustees confirmed its agreement that David Spilsbury be added as a signatory to the bank mandates.

ITEM 7 – NATIONAL MUSEUM OF COSTUME **NMS (2013) 03**

7.1 Jane Ferguson joined the meeting and the Director introduced the paper which had been circulated. The Trustees confirmed that they had considered fully a range of comments received directly from staff, the public and through meetings with stakeholders in the region since the proposal to close the National Museum of Costume (NMoC) was first announced. After careful deliberation, and with regret, the Board of Trustees concluded unanimously:

- That National Museums Scotland could no longer continue to operate the NMoC site, and that it would not reopen for 2013.

- We would participate appropriately in an advisory capacity in any study which may be commissioned regarding the use of the NMoC site for other purposes.
- Further dialogue would take place with Dumfries & Galloway Council with a view to working with them to enhance our activities in this region of Scotland and to assist in their planned Museums Service Review (if they would find the latter helpful).

7.2 It was agreed that the decision would be communicated to staff and a public announcement made on 04 February. Trustees would be kept informed.

GR, JF

**ITEM 8 – NATIONAL MUSEUM OF FLIGHT DEVELOPMENT NMS (2013) 04
PLAN: PHASE 2**

8.1 Fiona Stewart and Steve McLean joined the meeting and the Director introduced the paper which has been circulated. The Board of Trustees approved:

- The commencement of the Phase 2 development at the National Museum of Flight, encompassing Hangers 2 and 3.
- The use of Scottish Government capital funding to progress design, construction and fit-out of at least one hangar.
- The submission of an application to the Heritage Lottery Fund to provide match funding to enable a second hanger to be redeveloped.

FS

**ITEM 9 – NATIONAL MUSEUMS COLLECTION CENTRE NMS (2013) 05
PLAN: PHASE 2**

9.1 The Director and Fiona Stewart introduced the paper which had been circulated. A National Museums Collection Centre key fact sheet was also tabled (ref. Minute 5.1 of the 23 November Board minutes).

9.2 Following consideration, the Board of Trustees approved the recommendation to invest the additional £2m capital from the Scottish Government for 2013/14 to construct Phase 2 of the NMCC New Build Project, allowing us to vacate and dispose of Leith Customs House.

FS

**ITEM 10 – NATIONAL MUSEUM OF SCOTLAND NMS (2013) 06
MASTERPLAN: PHASE 3 UPDATE**

10.1 The Director presented his report which had been circulated. The Board of Trustees noted:

- Progress on the development of the National Museum of Scotland Masterplan Phase 3.
- Progress to date regarding fundraising for the National Museum of Scotland Masterplan Phase 3.

ITEM 11 – DRAFT BUDGET FOR 2013/14

NMS (2013) 07

11.1 David Spilsbury introduced his paper which had been circulated. The Board of Trustees noted:

- A draft budget for 2013/14 would be presented to the Board of Trustees for approval on 22 March.
- In preparation, draft budgets were being constructed for 2013/14, 2014/15 and 2015/16.
- Due to the impact of the existing savings programme, the 2013/14 and 2014/15 budgets would be balanced but a substantial deficit was indicated for 2015/16, based on current assumptions.
- That achieving further major savings without significant change in operation did not appear feasible.

11.2 Following discussion, the Board of Trustees agreed:

- A new savings/income generation programme was necessary, designed to take effect by 2015/16.
- That a strategic planning and budgeting session should take place in 2013 to review the prioritisation of activities, expenditure and savings going forward. This would involve the Board members and the Executive Team.

DS

DS, JB

**ITEM 12 – NATIONAL MUSEUM OF SCOTLAND:
PROGRAMME FRAMEWORK 2013-16**

NMS (2013) 08

12.1 Stephen Allen joined the meeting and introduced his paper which had been circulated. The Board welcomed the new Framework and noted the following:

- That the increasing range of learning programmes and events had been a key part of the public offer following the reopening of the National Museum of Scotland in July 2011.
- The planned approaches for the learning and public programmes over the next four years, including the priorities and key areas for development.
- The paper would be reviewed by the new Director of Public Programmes following her commencement, and would be used as a basis for developing similar frameworks for provision at our other sites.

12.2 The Board congratulated the Learning & Programmes team for their very successful work to date.

ITEM 13 – REPORTS FROM COMMITTEES

(i) Minutes of the Personnel & Remuneration Committee held on 26 October 2012

13.1 The Chairman noted that the draft minutes of the Personnel & Remuneration Committee held on 26 October had been circulated.

(ii) Minutes of the Estates & Facilities Management Committee meeting held on 05 November 2012

13.2 The Chairman noted that the draft minutes of the Estates & Facilities Management Committee meeting held on 05 November had been circulated.

(iii) Minutes of the Audit Committee meeting held on 23 November 2012

13.3 The Chairman noted that the draft minutes of the Audit Committee meeting held on 23 November had been circulated.

(iv) Verbal Report from the National Museums Scotland Enterprises Ltd Board meeting held on 01 February 2013

13.4 The Chairman (in his role as Interim Chairman of the NMSE Ltd Board) reported on the key issues arising from the NMSE Ltd meeting held earlier in the day. These included: the improving performance in retail sales; the steady performance in catering; and the ongoing, challenging financial environment being experienced by all organisations with respect to hospitality and events.

ITEM 14 – COLLECTIONS FOCUS: ACTIVITY REPORT NMS (2013) 09

14.1 The Board of Trustees noted the report, including:

- Progress on acquisitions, loans, national and international working, awards and staffing matters.
- The Collections Directorate's contribution to major capital projects and the special exhibition programme.

ITEM 15 – FORWARD PROGRAMME OF BUSINESS NMS (2013) 10

15.1 The Board noted the Forward Programme of Business. The Chairman envisaged that it was highly likely that additional dates, outwith the Board meetings schedule, would be sought to cover four activities in 2013/14:

- A "meet and greet" event in late April or early May involving the current and new Trustees, and the Executive Team.
- Visits to one or more of the other sites (where not feasible on an existing Board day).
- A session on the galleries being developed as part of the National Museum of Scotland Masterplan Phase 3.
- The aforementioned strategic planning and budgeting session (ref. Minute 11.2 above).

JB

JB

RG

ITEM 16 – ANY OTHER BUSINESS

16.1 There was nothing to report.

ITEM 17 – DATE OF NEXT MEETING

17.1 The next meeting will be held on Friday, 22 March 2013.