

**NATIONAL MUSEUMS SCOTLAND
BOARD OF TRUSTEES**

**MINUTES OF THE MEETING HELD ON 30 MARCH 2012 AT THE NATIONAL MUSEUM
OF SCOTLAND, EDINBURGH**

Sir Angus Grossart	Chairman
Dr Isabel Bruce	Trustee
Dr Anna Gregor	Trustee
Mr Andrew Holmes	Trustee
Mr Michael Kirwan	Trustee
Mr Miller McLean	Trustee
Professor Malcolm McLeod	Trustee
Mr Bruce Minto	Trustee
Professor Stuart Monro	Trustee
Mr Jamie Troughton	Trustee
Sir John Ward	Trustee
Mr Iain Watt	Trustee

Dr Gordon Rintoul (GR)	Director, National Museums Scotland
Mr Andrew Patience AP)	Director of Finance & Resources
Ms Julie Brown (JB)	Head of Corporate Policy & Performance
Mr Alexander Hayward (AH)	Keeper of Science & Technology (for Item 13)
Ms Nicola Pickavance (NP)	Head of Development (for Item 13)
Ms Jane Carmichael(JC)	Director of Collections(for Items 14 & 15)

ACTION

ITEM 1 – APOLOGIES

1.1 There were no apologies.

ITEM 2 – MINUTES OF THE MEETING HELD ON 03 FEBRUARY 2012

2.1 The minutes of the meeting held on 03 February 2012 were approved.

ITEM 3 – MATTERS ARISING

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

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 – CHAIRMAN’S REPORT TO THE TRUSTEES

5.1 The Chairman gave his verbal report. He updated the Board on contact with Ministers, senior Scottish Government officials and other cultural/heritage organisations since the last Board meeting.

5.2 The Chairman reported that, as far as he was aware, the recruitment of the new Chairperson was progressing as planned. According to the Scottish Government's timetable, it was expected that the successful candidate would be informed of the Cabinet Secretary's decision by the week commencing 11 June.

There was a query regarding the timing of the next Trustee recruitment round and concerns raised regarding the maintenance of the required skills and experience on the Board given that four Board members were due to come to the end of their terms of appointment in the next financial year. The Chairman reconfirmed the Cabinet Secretary's decision in late 2011 that the Chairperson recruitment round should take place first, followed by a Trustee recruitment round to be initiated as soon as the new Chairman had been appointed. It was agreed that it was now appropriate to make contact again with our sponsor team to seek their proposed timetable for the agreed round.

JB

ITEM 6 – DIRECTOR'S REPORT TO THE TRUSTEES

NMS (2012) 07

6.1 The Director presented his report which had been circulated. He highlighted that National Museums Scotland and the National Museum of Scotland building had won a number of high-level awards and were currently shortlisted for more. Trustees would be kept updated on the outcomes.

6.2 The Board noted the summary of the Scottish Parliament's Education & Culture Committee's Stage 1 Report on the National Library of Scotland Bill published on 8 March, particularly the points detailed in the report regarding Ministerial Direction. It was agreed that a watching brief would be kept on this matter.

JB

ITEM 7 – FINANCIAL REPORT

NMS (2012) 08

7.1 Andrew Patience presented the report which had been circulated. For the period to 31 January 2012, the National Museums Scotland budget showed a deficit. This reflected the organisation's baseline budget at break-even, timing of expenditure on the Royal Museum Project (RMP), and deferred project expenditure from 2010/11.

ITEM 8 – REPORTS FROM COMMITTEES

(i) Minutes of the National Museums Scotland Enterprises Ltd Board meeting held on 03 February 2012

8.1 The Chairman noted that the minutes of the National Museums Scotland Enterprises Ltd Board meeting held on 03 February 2012 had been circulated to the Board. Michael Kirwan (Chairman of the NMSE Limited Board) confirmed that, as anticipated at the last Board meeting, the NMSE budget would meet its end-year target.

8.2 Improvements being made to shops were then discussed and it was noted that the exhibition shop was now performing well following the start of our programme of major special exhibitions.

(ii) Minutes of the Personnel & Remuneration Committee meeting held on 09 February 2012

8.3 The Chairman noted that the minutes of the Personnel & Remuneration Committee meeting held on 09 February 2012 had been circulated to the Board. Iain Watt (Chair of the Personnel & Remuneration Committee) confirmed that the main topic on the Committee's agenda at present was the organisational restructuring programme.

(iii) Verbal Report from the Estates & Facilities Management Committee meeting held on 28 March 2012

8.4 Jamie Troughton (Chairman of the Estates & Facilities Management Committee) reported on the Estates & Facilities Management Committee meeting held on 28 March 2012. He updated Trustees on the following:

- The commencement of the new Director of Estates & Facilities on 12 March.
- The current position regarding backlog maintenance funding from the Scottish Government.
- The discussion at the meeting regarding the internal audit report on building risk management and the agreed actions.
- The progress of the Port Edgar relocation project.

8.5 With regard to savings going forward, the Board reconfirmed its commitment to the implementation of changes to the configuration of Museum sites which was approved at the Board meeting on 18 November 2011 (ref. 'Spending Review: Outcomes And Options In Response'). It was agreed that the Director would communicate the plans to the Scottish Government.

GR

(iv) Verbal Report from the Audit Committee meeting held on 30 March 2012

8.6 Miller McLean reported on the Audit Committee meeting held on 30 March which he had chaired on behalf of Sir John Ward (Chairman of the Audit Committee). He updated Trustees on the following:

- The Committee had completed its review of its Terms of Reference and the revised version would be brought to the Board for approval at the next meeting (ref. minute item 9.1 below).
- The members had agreed that the Committee would provide a written annual report to the Board at the end of each financial year, and commended the adoption of this practice to the other Board Committees.
- The organisation's top two risks remained unchanged, and one risk extended to include succession planning in relation to the recruitment and retention of key staff.
- There had been no issues regarding the draft external audit report 2011/12.
- The internal audit plan was on schedule. With regard to minute item 8.3 above, the Audit Committee had concurred with the Estates & Facilities Management Committee's view on the internal audit report on building risk management. The members agreed that a maintenance programme which documented and prioritised both planned and operational backlog maintenance by reference to available funding was essential. The audit

report would be revised and circulated by 31 May for the Audit Committee's consideration and subsequent onward reporting to the next Board meeting in June.

AP

ITEM 9 –CORPORATE GOVERNANCE FRAMEWORK NMS (2012) 09

9.1 The Director and Julie Brown presented the paper. The Board of Trustees:

- Approved the summary Corporate Governance Framework, subject to the agreed amendment of a sentence.
- Agreed that the Terms of Reference for the NMS Board Committees be reviewed during 2012 as scheduled, ensuring that together they incorporate all our statutory responsibilities and key risk areas noted in the Corporate Governance Framework.
- Noted that all changes and additions to the Committees' Terms of Reference would require to be submitted to the Board for final approval.

Cmttee
Chairs &
Secs

9.2 As part of the Board Committees' reviews of their Terms of Reference, it was agreed that consideration should be given to:

- Whether there may be benefits in involving non-Trustees in Committees where appropriate, e.g. where specialist knowledge may be helpful, as was the case with the National Museums Scotland Enterprises Ltd Board.
- Widening the remit of the Acquisitions Committee to include collections strategy.

ITEM 10 –STRATEGIC PLAN 2011-15: UPDATE NMS (2012) 10

10.1 The Director introduced the paper which had been circulated. The Board of Trustees:

- Noted the addition of one new four-year strategic action to address our significant backlog maintenance issues.
- Approved the updated Strategic Plan 2011-15, for completion and submission to the Scottish Government, subject to the agreed final amendments.
- Agreed that National Museums Scotland's management would amend the Plan to respond to any relevant comments received from the Cabinet Secretary in late April, before the final version is then published.

JB

ITEM 11 –BUDGET FOR 2012/13 NMS (2012) 11

11.1 The Board of Trustees approved the budget for the year 2012/13, subject to the agreed changes to how the figures were presented.

11.2 The Board welcomed the progress of recent discussions with the Scottish Government regarding capital funding to address our backlog maintenance issues. It was expected that the Cabinet Secretary would make an announcement in April.

Trustees reiterated their view from the November Board meeting that our Purchase Grant should be handled separately from funding for estates maintenance. They also noted that, as a result of previous Scottish Government spending constraints, the Purchase Grant had been reduced from £510k per annum to £250k per annum and that this change already meant that the Grant now existing was insufficient. On that basis, it was agreed that that Board would maintain a £250k per annum Purchase Grant allocation over the Spending Review period. Wherever possible this would be used as leverage to secure additional funds from external sources.

ITEM 12 – ROYAL MUSEUM PROJECT: REVIEW AND REPORT

NMS (2012) 12

12.1 The Director presented the report which had been circulated. Agreement regarding the remaining elements of the overall project costs was expected soon. The Director confirmed that, following the final meeting of the RMP Project Executive Group, the Board would receive a summary report on all the final costs.

GR

ITEM 13 – NATIONAL MUSEUM OF SCOTLAND MASTERPLAN PHASE 3:

(i) General Update

NMS (2012) 13a

13.1 The Director and Nicola Pickavance introduced the paper which had been circulated and also the tabled update. The Board of Trustees:

- Noted progress on the development of *Connections* and on fundraising to date for the project.
- Agreed the re-submission of the bid to the Heritage Lottery Fund (HLF) for *Connections* by 5 April.
- Agreed that the Director be authorised to review and amend details of the application with HLF as necessary.

NP

GR

13.2 The Director confirmed that positive initial discussions had been held with Glasgow Life regarding the possibility of displaying Mackintosh material as part of the new Art & Design galleries, and that this had been included in the HLF Application.

(ii) Update on Scottish Motor Sport Display

NMS (2012) 13b

13.3 The Director and Alex Hayward presented the paper which had been circulated. The Board of Trustees agreed the following:

- The inclusion of a new permanent display of Scottish motor sport as part of an upgrade of the *Connect* gallery, subject to funding and the loan or acquisition of suitable objects.
- To seek to stage a high quality special exhibition in the large new exhibition space in the National Museum of Scotland.

13.4 Now that the decision had been made to proceed, the Chairman asked that there be swift engagement with key external contacts and requested that the Board received a paper setting out the detail.

AH

**ITEM 14 –COLLECTIONS DEVELOPMENT STRATEGY: NMS (2012) 14
OPTIONS**

14.1 Jane Carmichael joined the meeting and introduced the paper which had been circulated. The Board of Trustees considered the overall approach and options proposed to guide the development of the full Collections Development Strategy.

14.2 It was agreed that the organisation had made real progress in this area in the last four to five years. The Chairman then sought clarity on the management resources available, and those potentially required, to achieve the new Strategy's ambitions and the associated cultural change. This was particularly queried in relation to leadership, staff and the adoption of an effective framework.

The Director confirmed that he would maintain a keen overview of the implementation of the Strategy, while Jane Carmichael would be responsible for implementation in detail and the Keepers would manage the Strategy on a day-to-day basis. The Director reiterated the organisational changes already taking place in the Collections Directorate, including the recruitment of a Keeper for the new Department of Art & Design.

14.3 The Board noted that, as planned, the draft Collections Development Strategy would be brought to the next Board meeting for approval.

JC

ITEM 15 –REVIEW OF COLLECTIONS ACTIVITY NMS (2012) 15

15.1 Jane Carmichael presented her report which had been circulated. The Board noted progress on acquisitions, loans, and national and international working.

The Board expressed its pride in relation to the key acquisitions made by National Museum Scotland in recent times. Excellent progress was currently being made on some new key acquisitions and Trustees looked forward to their formal announcement later in the year.

JC

ITEM 16 –FORWARD PROGRAMME OF BUSINESS NMS (2012) 16

16.1 The Board noted the Forward Programme of Business.

ITEM 17 –ANY OTHER BUSINESS

17.1 There was nothing to report.

ITEM 18 –DATE OF NEXT MEETING

18.1 The next Board of Trustees meeting will be held on Friday 15 June 2012.