

**NATIONAL MUSEUMS SCOTLAND
BOARD OF TRUSTEES**

**MINUTES OF THE MEETING HELD ON 23 SEPTEMBER 2015 AT THE NATIONAL
MUSEUM OF RURAL LIFE, EAST KILBRIDE**

Present:

Mr Bruce Minto	Chairman
Professor Chris Breward	Trustee
Dr Isabel Bruce	Trustee
Mr Gordon Drummond	Trustee
Mr Christopher Fletcher	Trustee
Mr Andrew Holmes	Trustee
Dr Brian Lang	Trustee
Dr Catriona Macdonald	Trustee
Mr Miller McLean	Trustee
Professor Walter Nimmo	Trustee
Mr Jamie Troughton	Trustee
Ms Eilidh Wiseman	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 Alison Cromarty (AC)	Head of Exhibitions (for Item 10)
Ms Ruth Gill (RG)	Director of Public Programmes (for Items 10 & 11)
Ms Fiona Stewart (FS)	Director of Estates & Facilities (for Items 13, 14 & 15)

Apologies:

Dr Anna Gregor	Trustee
Ms Lynda Logan	Trustee

PRELIMINARIES

The Board members welcomed the presentation on and tour of the National Museum of Rural Life, and conveyed their thanks to all the staff members involved.

ITEM 1 – APOLOGIES

1.1 Apologies were received from Anna Gregor and Lynda Logan.

ITEM 2 – MINUTES OF THE MEETING HELD ON 10 JUNE 2015

2.1 The minutes of the meeting held on 10 June 2015 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 A Holmes declared an interest in the 'National Museums Collection Centre: vision document' (ref. agenda item 13) in his role as a member of the Historic Environment Scotland Board. The Chairman stated, as previously declared, the potential interest of himself and Walter Nimmo in relation to the Chambers Street Public Realm Project (item 11).

ITEM 5 – DIRECTOR'S REPORT TO THE TRUSTEES

NMS (2015) 37

5.1 The Director presented his report which had been circulated. The subsequent discussion reiterated the Board's concerns regarding our ongoing backlog maintenance issues, the associated risks, and how the necessary funding could be found.

5.2 Trustees noted the positive results of the 2015 Staff Survey and that a detailed action plan was being devised. The Board's Personnel & Remuneration Committee would be kept informed of progress. In the meantime, Board members were invited to contact J Brown if they wished to receive the full version of the Staff Survey report.

5.3 The Director gave a verbal update on the ongoing industrial dispute.

ITEM 6 – FINANCIAL REPORT

NMS (2015) 38

6.1 David Spilsbury presented his report which had been circulated. The Board noted:

- The organisation expected to achieve a balanced position with lower than budgeted self-generated income offset by lower than budgeted costs for 2015/16.
- All Grant-in-Aid will have been claimed and spent within the year.
- As multi-year activities, all major projects were currently on time and specification although some budget issues were emerging and being managed.

ITEM 7 – ANNUAL REPORT & ACCOUNTS 2014/15

NMS (2015) 39

7.1 David Spilsbury presented the Annual Report & Accounts 2014/15 which had been circulated. He highlighted the last sentence on page 16 regarding the growth in our three stated risks and how they could, if the growth continues, compromise our ability to fulfil our statutory and charitable obligations.

7.2 Miller McLean (Chairman of the Audit & Risk Committee) confirmed that the internal auditors had emphasised areas for improvement in providing partial assurance on the organisation's framework of governance, risk management and control. The external auditors had given an unqualified report. Both had praised D Spilsbury and his Finance team for their good work and cooperation throughout the process.

7.3 Trustees approved the changes in accounting policy and noted that a letter of representation would be sent from the Accountable Officer to the auditors. The Board then approved the Annual Report & Accounts for 2014/15 subject to the agreed presentational amendments.

GR

ITEM 8 – FINANCIAL PLANNING: BUDGET SCENARIOS AND OPTIONS

NMS (2015) 40

8.1 David Spilsbury presented the paper which had been circulated. The Chairman stated that a decision was not appropriate at this early stage. The Board considered the scenario analysis and the range of potential options to deal with the continued constrained financial environment and agreed that, at the present time, all options should be considered to be open.

8.2 It was recognised that the scale and timing of the challenge we face was currently very uncertain. At present, the Scottish Government was unable to confirm whether budgets would be announced in December 2015 or in January 2016. The final decision on a 2016/17 budget would need to be made at the Board meeting on 23 March 2016, with interim consideration on 25 November and 3 February.

DS, ALL

8.3 It was noted that given our very high level of essentially fixed costs and if one assumed Government Policy in relation to pay and employment did not change, even a small scale reduction in cash Grant-in-Aid from Government in the next Spending Review would quickly lead to a position where the organisation could not continue to function in its current form. The Director reported that the CEOs and Finance Directors of the three National Collections bodies had recently met to discuss the limited room for manoeuvre for our organisations under the forthcoming Spending Review, and that a meeting had been agreed with the Scottish Government to discuss this issue.

GR, DS

ITEM 9 – NEW STRATEGIC PLAN 2016-20: DRAFT OUTLINE

NMS (2015) 41

9.1 David Spilsbury presented the outline for the new Strategic Plan which had been circulated. He also gave a verbal report on the outcomes of the staff consultation exercise, and praised colleagues for their interest and enthusiastic and thoughtful participation.

9.2 Trustees considered that the emerging draft to be a significant step forward in presenting the Plan in an engaging and accessible way. Further consideration needed to be given to the emphasis needed on future development of the Collection and how we convey the ambitious nature of our plans.

9.3 Further to the discussion, the Board of Trustees approved the development of the outline Plan into a draft full Plan which would be considered at the next Board meeting in November.

DS, JB

ITEM 10 – EXHIBITIONS & TOURING EXHIBITIONS STRATEGY

NMS (2015) 42

10.1 Ruth Gill and Alison Cromarty joined the meeting and presented the new Strategy. There was a wide-ranging discussion which included:

- The nature of our organisation's exhibitions compared to other institutions.
- The resources and work involved in creating an exhibition.
- The progress made to date on how we cost, measure success and record our exhibitions.
- Income generation opportunities going forward.

- Collaboration with other organisations, including the other National Collections bodies.

10.2 The Board of Trustees proceeded to approve the Strategy.

ITEM 11 – NATIONAL MUSEUM OF SCOTLAND **NMS (2015) 43**
MASTERPLAN PHASE 3: UPDATE

11.1 Ruth Gill presented the report which had been circulated, and gave a verbal update on the programme. The Board of Trustees:

- Noted the progress made on the MP3 project.
- Noted the progress update for the Chambers Street project.

ITEM 12 – NATIONAL MUSEUM OF SCOTLAND **NMS (2015) 44**
MASTERPLAN PHASE 4: UPDATE

12.1 The Director presented the report which had been circulated. A meeting was being organised with the Heritage Lottery Fund, with a view to the possible resubmission of a Round 1 bid in November 2016.

ITEM 13 – NATIONAL MUSEUMS COLLECTIONS CENTRE: **NMS (2015) 45**
VISION DOCUMENT

13.1 Fiona Stewart joined the meeting and presented the paper which had been circulated. The Board of Trustees approved:

- The shared vision statement, subject to amendments being agreed with the National Galleries of Scotland and Historic Environment Scotland.
- The 10 year vision for the National Museums Collection Centre. It was noted that, now a new Director of Collections was in post, this would be a key area of focus for him.

ITEM 14 – NATIONAL MUSEUMS COLLECTIONS CENTRE: **NMS (2015) 46**
EXTENSION TO BUILDING 1: UPDATE

14.1 Fiona Stewart presented the update which had been circulated. The Board of Trustees noted the progress made on the Extension to Building 1 Project.

14.2 Trustees congratulated Fiona Stewart and all the staff members involved in the project.

ITEM 15 – NATIONAL MUSEUMS OF FLIGHT DEVELOPMENT **NMS (2015) 47**
PLAN PHASE 2: UPDATE

15.1 The Board of Trustees noted the update report, and welcomed the news of the successful charitable trust application which had just been communicated to National Museums Scotland. The Director indicated the likely opening date planned for spring but stressed it was still to be confirmed.

ITEM 16 – COLLECTIONS ACTIVITY REPORT

NMS (2015) 48

16.1 The Board of Trustees noted progress on acquisitions, accreditation, professional profile, research projects and staffing. The Chairman welcomed the report and congratulated the staff involved on their good work.

ITEM 17 – BOARD OF TRUSTEES MEETING DATES 2016/17

NMS (2015) 49

17.1 The Board noted the meeting dates for 2016/17.

ITEM 18 – REPORTS FROM COMMITTEES

(i) Minutes of the National Museums Scotland Enterprises Ltd Board meeting held on 05 June 2015

18.1 The Chairman noted that the draft minutes of the NMSE Ltd Board meeting held on 05 June 2015 had been circulated.

(ii) Minutes of the Estates Committee meeting held on 23 June 2015

18.2 The Chairman noted that the draft minutes of the Estates Committee meeting held on 23 June 2015 had been circulated. Jamie Troughton (Chairman of the Estates Committee) highlighted the importance of our energy efficiency work (ref. minute item 8.3), and that the visit to Rural Life demonstrated the importance of investment in asset management and energy efficiency.

(iii) Minutes of the Personnel & Remuneration Committee held on 22 July 2015

18.3 The Chairman noted that the draft minutes of the Personnel & Remuneration Committee meeting held on 22 July 2015 had been circulated.

(iv) Minutes of the Audit & Risk Committee meeting held on 19 August 2015

18.4 The Chairman noted that the draft minutes of the Audit & Risk Committee meeting held on 19 August 2015 had been circulated.

ITEM 19 – FORWARD PROGRAMME OF BUSINESS

NMS (2015) 50

19.1 The Board noted the Forward Programme of Business.

ITEM 20 – ANY OTHER BUSINESS

20.1 There was nothing to report.

ITEM 21 – DATE OF NEXT MEETING

21.1 The next meeting will be held Wednesday, 25 November 2015 at the National Museum of Scotland in Edinburgh.