

**NATIONAL MUSEUMS SCOTLAND  
BOARD OF TRUSTEES**

**MINUTES OF THE MEETING HELD ON 28 JANUARY 2011 AT THE NATIONAL  
MUSEUM OF SCOTLAND, EDINBURGH**

**Present**

Sir Angus Grossart	Chairman
Dr Isabel Bruce	Trustee
Dr Anna Gregor	Trustee
Mrs Lesley Hart	Trustee
Mr Andrew Holmes	Trustee
Mr Michael Kirwan	Trustee
Professor Malcolm McLeod	Trustee
Mr Bruce Minto	Trustee
Professor Stuart Monro	Trustee
Mr Jamie Troughton	Trustee
Mr Iain Watt	Trustee

Dr Gordon Rintoul (GR)	NMS Director
Mr Andrew Patience AP)	Director of Finance & Resources
Ms Julie Brown (JB)	Head of Corporate Policy & Performance
Ms Sheilagh Stewart	Head of Human Resources (for Item 8ii)
Ms Fiona Bell (FB)	Director of Estates & Facilities Management and Project Director RMP (for Item 9)
Ms Sally Manuireva (SM)	Director of Public Programmes (for Item 12)
Ms Alison Cromarty (AC)	Head of Exhibitions & Displays (for Item 12)
Ms Jane Carmichael (JC)	Director of Collections (for Item 13)

**Apologies**

Mr Miller McLean	Trustee
Sir John Ward	Trustee

**ACTION**

**ITEM 1 – APOLOGIES**

1.1 The Chairman welcomed Bruce Minto to his first Board of Trustees meeting.

1.2 Apologies were received from Miller McLean and Sir John Ward.

**ITEM 2 – MINUTES OF THE MEETING HELD ON 19 NOVEMBER 2010**

2.1 The minutes of the meeting held on 19 November 2010 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 interest from Board members in relation to the substantive items on the agenda.

**ITEM 5 – CHAIRMAN’S REPORT TO THE TRUSTEES**

5.1 The Chairman presented his report. He updated the Board on contact with Ministers and the National Galleries of Scotland since the last meeting. The Chairman also reported on the successful visit from representatives of the China Aviation Museum in November.

5.2 It was agreed that the issue of reviewing our policy for acquisitions and disposals would be considered at a future date.

**GR, JC**

**ITEM 6 – DIRECTOR’S REPORT TO THE TRUSTEES** **NMS (2011) 01**

6.1 The Director presented his report which had been circulated. The Board expressed their appreciation regarding the commitment shown by all staff during the recent severe weather, and it was resolved that a congratulatory message would be communicated.

**GR, JB**

6.2 It was agreed that Trustees would be kept updated on the progress of the V&A at Dundee initiative and the implementation of the recommendations arising from the Museums Think Tank report.

**GR, JB**

**ITEM 7 – FINANCIAL REPORT** **NMS (2011) 02**

7.1 Andrew Patience presented his report which had been circulated. For the period to 30 November 2010, the National Museums Scotland budget for 2010/11 showed a deficit. This reflected the organisation’s baseline budget at break-even and a timed saving on Royal Museum Project (RMP) initiatives. These were offset by RMP NMS Enterprises costs, deferred project expenditure from 2009/10 and additional project expenditure in the year. The budget forecast for the year was currently showing a favourable variance.

7.2 It was recognised that the organisation’s budget had risen over the years since the current Board Reserve limit was agreed and that risks in some areas, such as utility costs, had increased. It was therefore desirable to increase the minimum amount which would be maintained in the Board Reserve in order to deal with unexpected costs or liabilities. It was agreed that the minimum level held in the Board Reserve should be increased to £750k.

**AP**

**ITEM 8 – REPORTS FROM COMMITTEES**

**(i) Draft Minutes of the Audit Committee meeting held on 19 November 2010**

8.1 The Chairman noted that the draft minutes of the Audit Committee meeting held on 19 November 2010 had been circulated to the Board. The Director highlighted the ongoing concerns of Sir John Ward (Chair of the Audit Committee) regarding the risks associated with our ongoing estate and maintenance backlog issues.

**(ii) Verbal Report from the Personnel & Remuneration Committee meeting held on 20 January 2011**

8.2 Lesley Hart (Chair of the Personnel & Remuneration Committee) reported on the rescheduled Personnel & Remuneration Committee meeting held on 20 January 2011. The Board agreed the staffing proposals to address the Scottish Government's spending cuts as set out in the tabled paper, which had also been agreed by the Personnel & Remuneration Committee. Trustees were assured that staff and the trade unions would be fully briefed on this matter following the Board meeting. It was agreed that more detailed proposals would be prepared for consideration at the Board meeting on 9 September.

GR, SS

**(iii) Verbal Report from the National Museums Scotland Enterprises Board meeting held on 28 January 2011**

8.3 Michael Kirwan, Chair of the NMSE Board, reported on the National Museums Scotland Enterprises Board meeting held on 28 January 2011. He reported on the following:

- The overall NMSE budget was currently on target, despite the impact of the recent severe weather.
- Further work was being undertaken on the preparation of the 2011/12 NMSE budget, and a further meeting had been scheduled.
- Benugo had been appointed to manage the new café and restaurant in the National Museum of Scotland.
- The design of the new shops was progressing well.

8.4 The Board endorsed the following two proposals:

- The eventual creation of a temporary fourth shop in the National Museum of Scotland, on the proviso that extra incremental sales would be sufficient to cover the costs.
- Investment in a 360 degree simulator for which a charge would be made to visitors.

MK, GR

MK, GR

**ITEM 9 – ROYAL MUSEUM PROJECT: PROGRESS REPORT****NMS (2011) 03**

9.1 Fiona Bell introduced the progress report and gave a further verbal update. The Board of Trustees noted:

- The delay in completion of some of the base build works by the main works contractor.
- Some risk to the programme for the exhibition contractor although it was expected that this could be managed.
- At the present time, it was expected that the project would be completed within the resources available.

9.2 The Board of Trustees formally agreed:

- A public opening date of Friday 29 July 2011.
- An increase in the fundraising target as proposed.
- An increase in the total budget as proposed.
- Since the amount of irrecoverable VAT was lower than anticipated, any uncommitted funds should be transferred to RMP contingency.

- Acceptance of the commercial settlement figure proposed by the main works contractor for prolongation costs.

9.3 The Board conveyed their appreciation of the many successes achieved thus far by the Project Director RMP and her team, the RMP Campaign Board and the Development team.

**ITEM 10 – DRAFT STRATEGIC PLAN 2011-15**

**NMS (2011) 04**

10.1 The Director introduced the new draft Strategic Plan 2011-15. With the prospect of major cuts in funding in future years, it was recognised that a review of the Plan and the new four-year strategic priorities may need to be considered in the autumn once the spending plans of the new Scottish Government were known. Trustees undertook to send any detailed comments to the Director. It was noted that the final version of the Plan would be submitted to the Board for approval at the next meeting.

**GR, JB**

**ITEM 11 – BUDGET 2011/12: CHANGES AND KEY ISSUES**

**NMS (2011) 05**

11.1 Andrew Patience presented the paper which has been circulated. Although the organisation was confident it had identified how it could manage the cut in Scottish Government funding for the coming financial year, it was recognised that there would be an impact on some areas of service to the public. The Director stressed that coping with further significant cuts would require further reductions in public services and in staff costs. It was noted that the final version of the Budget for 2011/12 would be submitted to the Board for approval at the next meeting.

**GR, AP**

**ITEM 12 – EXHIBITIONS AND DISPLAYS STRATEGY**

**NMS (2011) 06**

12.1 The Board considered the new Exhibitions & Displays Strategy, and asked for more specific, supporting detail to be developed for the next meeting. The Board wished to be kept fully updated on progress.

**SM, AC**

12.2 It was agreed that, going forward, the Board would receive short reports on the performance of completed major exhibitions which included information such as the budget, targets (e.g. visitors and income), and the final out-turn.

**SM, AC**

**ITEM 13 – REVIEW OF COLLECTIONS ACTIVITY**

**NMS (2011) 07**

13.1 Jane Carmichael presented her report which has been circulated. The Board noted progress on significant acquisitions, loans, national working, international matters and research. Trustees also extended their thanks for the Collections-related presentation given earlier in the day.

**ITEM 14 – BOARD COMMITTEES AND RELATED BODIES/GROUPS: APPOINTMENTS**

**NMS (2011) 08**

14.1 The Board received the paper which had been circulated. Following the recent departure of three members who had reached the end of their terms of appointment, Trustees endorsed the Chairman's recommendations that:

- Anna Gregor be appointed as a member of the Personnel & Remuneration Committee;
- Miller McLean be appointed as a member of the Audit Committee;
- Jamie Troughton be appointed as a member of the Estates & Facilities Management Committee; and
- Malcolm McLeod be appointed as a member of the Research Advisory Group.

14.2 The Board noted that the Chairman was still considering the appointment of:

- The new Chair of the Estates & Facilities Management Committee. In the meantime, Jim Fiddes had accepted his invitation to attend the Estates & Facilities Management meetings until 31 March 2012 as a non-voting adviser.
- National Museums Scotland Board members to fill the vacancy on the Acquisitions Committee and the vacancy on the National Museums Scotland Charitable Trust.

Chair

**ITEM 15 – FORWARD PROGRAMME OF BUSINESS**

**NMS (2011) 09**

15.1 The Board noted the Forward Programme of Business.

**ITEM 16 – ANY OTHER BUSINESS**

16.1 Nothing to report.

**ITEM 17 – DATE OF NEXT MEETING**

17.1 The next Board of Trustees meeting would be held on Friday 25 March 2011.