

THE TRUSTEES OF THE NATIONAL MARITIME MUSEUM

THREE HUNDRED AND SIXTY-SEVENTH MEETING

10:00 THURSDAY 7 MAY 2020

HELD REMOTELY BY VIDEO CONFERENCE DUE TO COVID-19 EPIDEMIC

MINUTES

Trustees present:

Sir Charles Dunstone, Chair
Joyce Bridges
Alastair Marsh
Dr Helen Czerski
Jeremy Penn
Eric Reynolds
Dr Fiona Butcher
Admiral Sir Mark Stanhope
Carol Marlow
Dr Aminul Hoque (by phone)

In attendance:

Paddy Rodgers	Director, Royal Museums Greenwich
Andy Bodle	Director, Operations and HR
Chris Walker	Director, Finance and IT
Gail Symington	Director, Collections and Public Engagement
Kate Seeckts	Director, Development
Jane Costantini	Governance and Museum Records Manager

~Governance Session~

1. Apologies

Professor Julian Dowdeswell, Trustee; Eleanor Harris, Director, Visitor Experience and Enterprises (on sabbatical)

2. Declaration of relevant interests related to this meeting

None other than those previously registered.

3. Draft Minutes of Board meeting 366 of 27 February 2020

The Board **agreed** the minutes to be a true record of the meeting. The Chair of the Board certified the minutes electronically after the meeting.

4. Director's Report May 2020

Due to the exceptional circumstances and the nature of the discussions, the Director's report was tabled following the reports from the other directors.

5. Finance Director's Report:

Due to the exceptional circumstances and the nature of the discussions, the Finance Director's report was tabled following the reports from the other directors.

6. Staff Update

The Director, Operations & Human Resources updated the Board on the staffing situation. Following the Museum's closure on 18 March, the majority of staff left site the following day and our volunteering programme was suspended.

Around 200 staff have been enabled to work from home and we have now furloughed some 70% of staff, c. 390 employees. HR are providing twice-weekly all staff updates and FAQs. Keeping in touch and health and well-being programmes have also been made available.

Trustees asked if all staff had been provided with IT equipment and the Director, Operations & HR stated that we had been able to lend IT equipment to all staff who required it. There was also a question regarding the possibility of rotating furloughed staff and the Director, Operations & HR responded that there was enough flexibility in the scheme to bring people in or out of furlough as required at the end of the three-week review period.

7. Security Update

The Director, Operations & Human Resources briefed the Board regarding the security of our sites and collections. All sites were safely secured and mothballed from 20 March with a number of staff covering all sites daily, including security, cleaners, Estates engineers and operational staff, term contractors, shipkeepers and two curators at the Brass Foundry.

Occasional visits by staff to any site are being managed safely in terms of self-distancing and lone-working by appointment. This includes fulfilling online shop orders, conservation checks (climate control/pest management), retrieval of IT equipment or material for online learning.

Some projects continued for safety and security reasons (emergency lighting tests, replacement fire panels/fire safety systems, chiller replacements); other projects have since resumed (Neptune Court café floor, Colonnade works). Additional patrols of plant rooms have been carried out by Estates engineers and term contractors on top of security patrols.

There were no questions arising and the Chairman thanked the Director, Operations & Human Resources for his presentation.

8. Collections Update

The Director, Collections and Public Engagement gave a brief presentation to Trustees regarding the actions taken to ensure the ongoing safety and care of the collections. The shutdown and mothballing of gallery, studio & storage spaces involved the checking of remote connections to monitoring systems; the production of lockdown procedures and the confirmation of support from manufacturers.

Bi-weekly site visits are taking place for dust inspection; visual inspection of collections; pest management; stores and studio checks at PPMCC.

Gallery Shutdown has involved the following: case lighting turned off; flood protection installed; coordination between Estates and Conservation for AHU

management and monitoring; safe shutdown of working collections; collections security tagged, including part-installed crates and cases in SEG.

Storage Shutdown has involved the following measures: flood protection installed; freezers emptied, turned off and left open; fridges for sensitive collections and equipment left on at PPMCC and Brass Foundry; Studios cleared of collections where possible.

There were no questions arising and the Chairman thanked the Director, Collections and Public Engagement for her presentation.

9. Development Update

The Director, Development provided the Trustees with an overview of the current fundraising situation. Our major donor giving has paused but fortunately all are remaining very supportive of our cause. Trusts and Foundations have re-prioritised funding to focus on medical and social needs. We have made bids for sector-wide Emergency Funds but we are competing with many others. As we come out of lockdown, there will be opportunities with major foundations committed to rebuilding society, reconnecting communities and growing confidence but getting the timing and messaging of campaigns right will be vital. In terms of the Membership scheme, new sales have stopped almost completely; Membership numbers have dropped from 10,414 at the end of February to 9,200 end of March. In order to rebuild our Membership base during this time we need increased online activity and a more creative offer. The Trustees agreed that a more flexible offer initially aimed at more local audiences will be required in a very competitive market. There were no additional questions and the Trustees thanked the Director, Development for her presentation.

5. Finance Update

5.1 Draft Outturn for 2019-20

As a full report had been issued to Trustees prior to the meeting, the Director, Finance & IT gave a brief overview of the position at the end of the 2019-20 financial year. He was pleased to report a draft outturn for the year of £1.5m surplus. However, due to the closure of the Museum on 18 March there was an adverse variance of £0.6m on net self-generated income compared to the Q3 forecast, but this was more than offset by underspends in the final quarter on Museum operating costs and the previous release of £0.5m contingency. The Director, Finance & IT reminded Trustees that it had been agreed at the meeting in February to grant any surplus, after allocation of £150,000 to the Cutty Sark maintenance fund, to the RMG Foundation. The final value of this grant will be based on Statutory Accounts and determined once the Audit is complete.

The Trustees queried the £45K retrospective charge for Cutty Sark and there was concern that this might indicate a further water leak or pre-empt further unexpected costs at our other sites. The Director, Operations & Human Resources explained that this retrospective charge was due to historic undercharging which has become apparent in the changeover in provider from Thames water to Castle Water.

There were no further questions and the Director, Finance & IT concluded by reminding Trustees that a more detailed analysis will be presented at the July Board.

5.2 Financial Recovery Plan

The Director, Finance & IT next presented the Business Plan post Covid-19. We anticipate no public admission before 1 July 2020 and our ambition is to be back on track by Spring 2022, ready for the Summer 2022 Season. A number of scenarios have been modelled according to Baseline/Optimistic/Pessimistic forecasts.

Trustees agreed that it is sensible to take a conservative approach to forecasts and asked about alternative sources of income which are not based on visitor admissions. The Director, Finance & IT confirmed that we are considering all options and an Income Recovery Group has been established to oversee planning & delivery, but any new initiatives will have to be backed by thorough business cases.

In mitigation, we are making a claim to the Treasury's Job Retention Scheme, furloughing c.70% of our staff. We have also made an appeal for emergency DCMS support. We shall continue our campaign for a higher GiA settlement in the Autumn '20 Spending Review. Whilst we focus on revenue recovery, we shall be sidelining new major capital projects (unless funded), our marketing campaigns shall focus on income rather than visitor headcount in the next two years and we shall be identifying unique donor opportunities. *Sentence redacted in accordance with the Freedom of Information Act 2000 S. 43 (2) Commercial Interests exemption.*

The Director, Finance & IT drew the Board's attention to the fact that NMM Enterprises is a separate entity and with little or no income in prospect, it is utilizing 2019/20 profits (earmarked for payment to NMM under Gift Aid) to pay bills. In order to avoid immediate insolvency, Trustees **agreed** to defer recharge of costs, including payroll and a deferred payment of 19/20 profits from NMME to RMG until affordable, and delegate Audit Committee to review more detailed proposals at its next meeting.

Trustees sought reassurance that maintenance of our Estate will not be adversely affected by the financial challenges. The Directors confirmed that at this stage the DCMS capital funding remains in place, including the £0.5m additional support secured in 2019. Trustees also asked about the Museum's cashflow position. The Director, Finance & IT informed the Board that DCMS have offered us accelerated payments for GiA, so we have already received May and June payments.

It was **agreed** that following the next Audit Committee in June, a summarised Cashflow Report should be sent to Trustees on a regular basis.

There were no further questions. The Board **approved** the proposed approach and the Trustees thanked the Director, Finance & IT for his presentation.

4. Director's Report

The Director thanked Trustee, Dr Helen Czerski, for her instrumental work in hosting our live online panel discussions. There has been a very positive 'can do' attitude amongst staff in this period, and normal working barriers are being broken down. Moving forward we shall be focusing on activity and cost management, which shall necessitate some changes in our management structures. The Director informed the Trustees that more specific details on

this plan will be shared with the Board at the July meeting. Initially, it is likely that our first visitors back on site will be from the local area. It will also be important to build our digital offer as a 'sixth site' through social media and our website to drive global reach and reputation. We shall also be looking to build a resilient membership base.

Trustees were keen to emphasise that as a National museum we should aim to reach out across the whole country. The Director agreed that as public confidence grows the home audience will expand from our immediate vicinity. Trustees also expressed the need to build resilience in our plans in case of a second spike in the virus and the Director concurred that there may be a long term, if not permanent, shift in focus. The Board was informed that the web sessions and learning programmes are reaching large and widespread overseas audiences.

There were no further questions and the Trustees thanked the Director for his report.

10. Resolution for expenditure from Caird Fund for Caird Research Fund Project

The Director referred Trustees to the briefing paper in Volume B which detailed a proposal to use the Caird Fund to support an additional research project, covering a number of themes including the *Cutty Sark*, the Merchant Navy, Maritime London and Women at Sea. This project would run for 3 days a week between July 2020-July 2021 and would cost £19,699.30 in total.

The Trustees **approved** the expenditure for this project.

11. Matters arising from the information in Volume B/AOB

There were no matters arising from the information in Volume B and no other business. The Chairman thanked the members of Board and Executive for joining the meeting.