

THE TRUSTEES OF THE NATIONAL MARITIME MUSEUM

THREE HUNDRED AND EIGHTY-SIXTH MEETING

THURSDAY 18 JULY 2024

HELD IN THE BOARDROOM

MINUTES

Trustees present:

Lance Batchelor (Chair)
Professor Clare Anderson
Dr Fiona Butcher (Via MS Teams)
Dr Helen Czerski
Sir Stephen Deuchar
Professor Julian Dowdeswell
Matthew Hastings (Board Apprentice)
Murdoch MacLennan
Alastair Marsh
William Nye
Professor Andrew Thompson

In attendance:

Name	Role
Paddy Rodgers	CEO, Royal Museums Greenwich
Chris Walker	Executive Business & Operations Director
Gail Symington	Executive Creative Director (for item 11)
Jane Costantini	Head of Governance and Museum Records
Karen Eden-Tuxford	Head of Commerce & Visitor Experience (for item 7)
Lucy Cooke	Head of Development (for item 5)
Ann Carter	Director of Major Projects (for item 5)
Emma Snow	Design Manager First Light (for item 5)
John Avberhota	Head of People & Culture (for item 10)
Sarah Lockwood	Head of Public Engagement (for item 10)

~Governance Session~

- 1. Apologies and welcome**
There were no apologies for the meeting.
- 2. Declaration of relevant interests related to this meeting**
No relevant interests were declared.
- 3. Draft Minutes of Board meeting 385 of 2 May 2024**
The Board **agreed** the minutes to be a true record of the meeting. The minutes were certified by the Chair accordingly.
- 4. Update on campaign for new Trustees**

The Chair of the Remuneration and Nominations Committee informed the Board that there had been no news since the last meeting as appointments had been put on hold for the duration of the General Election campaign. The Public Appointments team at DCMS had reported that they were hopeful that the process would resume shortly.

5. 'First Light' Update

5.1 Update from First Light Trustee Committee

The Chair of the First Light Trustee Committee, Andrew Thompson, congratulated the team on their recent successes: unconditional approval of the Outline Business Case from DCMS and for getting through Stage 1 of the National Lottery Heritage Fund (NLHF) bid for £10m (their maximum award). He cautioned however, that we will not get to £70m without Government support and noted that some good momentum had been building with the former Chancellor before the General Election was called. We now need to restart these conversations with the new Government, and we are hoping not to have to start from scratch. He noted that the relationship with The Royal Parks seems positive and concluded his update from the Committee by informing the Board that Trustee Helen Czerski would be chairing a group of critical friends on the content development.

The Director informed the Board that the intention is to go through Planning with the whole project. If at the end of RIBA Stage 4 in around May/June 2025 we have not got sufficient funds to complete the project in its entirety we would have to consider scaling back our ambition at that point.

5.2 Update from First Light Project Team

The Director of Major Projects reported that feedback from The Royal Parks trustee board has been positive with just one query over the height of the entrance pavilion. Outstanding issues with The Royal Borough of Greenwich Planning Team have also been resolved. Feedback from the public consultation had been overwhelmingly positive and the Planning application will be submitted before the end of the month.

The successful outcome of the Stage 1 NLHF application is very welcome. NLHF has fed back that our application was strong. She noted, however, that there is much work to do to ensure that the Stage 2 application is successful. In particular, the Engagement programme will be critical in terms of satisfying the requirements of NLHF and will be worked on until the submission next May.

She reported that the team had had two constructive days reviewing the project with the Executive Directors - taking stock of the current position and planning next steps.

On exhibition design, Trustees were told that we are finalising the procurement process and will begin RIBA Stage 2 in late August. Trustees asked for more detail on the procurement process for exhibition designers which was provided by the project team. It was noted that good, clear communication between the architects and design teams was critical to avoid misunderstandings and disputes. The project team agreed and stated that a meeting would take place once appointments had been made and a 'Creative Charter' would be agreed by all parties.

Trustees asked when they might hear more about the exhibition content and the Director of Major Projects suggested this might be done over lunch immediately before the next meeting.

The Design Manager, First Light explained that there would be a continuous process of reviewing the project components against the project objectives to ensure these remain in focus as we progress with the project. This will enable to make informed decisions about the packages that will be finally delivered.

The Director of Major Projects explained that the team was now starting to plan for closure. It will be essential that we retain experienced and expert staff, that we continue to engage our audiences, that we are able to test ideas for the re-opening and that we maintain some astronomy content at RMG. The Director informed the Board that more detailed plans for site closure will be shared with Trustees at the November Board meeting; it will be essential that this is managed carefully. In terms of cost, loss of revenue will be around £7m per annum, but we should make some significant savings on utilities during closure and the usual 30% of Front of House staff who leave voluntarily will not be replaced until we re-open. We might be able to offer a 'ticketable' astronomy event/activity at NMM to offset some of the losses. There is also a possibility (but not guaranteed) that we may be able to keep the Meridian line open for part of the closure period.

Trustees asked for further information about the terms of the loan from Government and at what point we would be committed to this. The Directors explained that it would be a fixed interest rate loan for a 20-year period. Whilst the loan facility has been approved by Government, we have yet to discuss the specifics, and we are not obliged to take all or part of it. The Chair of the First Light Committee drew Trustees' attention to the minutes of the last meeting which stated: *'It was noted that prior to consenting to taking a loan Trustees would have to carefully consider the implications of committing the Museum to the loan repayment over the long term. At that moment the Board would have to consider the choice of taking the loan or curtailing our ambition'*. Trustees cautioned that a loan should not be entered into without a commitment from Government in the way of a Grant. The Director stated that it was too early in the life of the new Government to assess the likelihood of this, but central government funding opportunities will continue to be extremely tight for the foreseeable future. However, if we did not go ahead with the project the Government would have to provide funding to stop our historic buildings from deteriorating further, so this should be borne in mind during future discussions.

The Head of Development recapped progress made to date. She then showed Trustees a diagram illustrating this and what still needs to be raised. Trustees asked whether there were any reputational risks around the organisations or individuals we are approaching and were informed that, as set out in the Donations and Sponsorship Acceptance Policy, no naming rights or donations over £100k would be approved without Trustees' permission. While Trustees expressed gratitude to the Development Team for the considerable progress made to date, they noted the substantial challenge ahead. The Director suggested that Trustees would be provided with a monthly update from himself and the Head of Development and this would also serve as an opportunity for Trustees to consider if there were any contacts they might be able to suggest.

The following section has been redacted in accordance with the Freedom of Information Act s. 38 (1) (b) endangerment to the safety of an individual.

5.3 Request for additional funding

Trustees were asked to confirm to the RMG Foundation approval of funding of £5m for the First Light project. This funding will enable us to proceed with the pre-construction contracting phase expected to take the project through to late summer 2025.

The Board duly **approved** this request for additional funding.

The Chairman brought the First Light discussion to a close by thanking the RMG team and the FL Trustee Committee for their hard work over the last period.

6. **Director's Report**

The Director took the Trustees through a number of current topics of potential concern which included: Visitor numbers/income; Staff retention; Project delivery; Economic outlook and the likely priorities of the new Government.

On visitor numbers, the start of the financial year in April started badly, May and June improved and July has started well but we are still behind our forecasts. The poor weather was undoubtedly a factor and lower than expected visitation has been reflected across the sector. The ROG is doing comparatively well but the closure of Neptune Court has impacted our NMM numbers and Cutty Sark visitation has also plateaued but plans are in place to try to address this. Overall, we currently expect to end the year c. £500k down on budget.

Staff retention: At the last meeting we informed Trustees that we would hold back the pay award for the non LLW staff until we had a clearer picture of the visitor trends. Although not completely back on track as outlined above, the picture is improving and it is felt that we should implement the pay award as soon as possible. This will cost £500k and is already factored into the budget. The Directors stated that further delays on this year's pay award would have a detrimental effect on the delivery of our programmes and activities.

In terms of the economic outlook the cost of living is still a factor but the weaker pound may make us more attractive to foreign visitors. Culture will be relatively low down on the new Government's agenda but conversely Education will be high so we may benefit indirectly from this.

There was a request from the Board for a paper on the potential impact that changes to employment practices signalled by the new Government might have.

Trustees enquired whether there was more we could do to make ourselves more resilient to bad weather and more attractive as an all-weather destination. The Director commented that the Ocean Court work should keep both rainwater and excessive heat out.

Trustees were pleased to note the successful recruitment of five Caird Fellows and five doctoral students whose topics of study looked very interesting. The Chair and Vice Chair of the Collections and Research Committee agreed that the calibre of students was very high and they were working to build an Alumni group as these students are valuable advocates for the Museum. Trustees requested a more detailed update on this area for the next Board meeting.

There were no further questions and the Chairman thanked the Director for his report which was duly **noted**.

7. Visitor update

The Head of Commerce and Visitor Experience informed the Board that over the first quarter we had welcomed just under 560,000 visitors across our core sites, 112,000 down against the budget (NMM was down 90,000). Admissions income for the charged sites was just over £2.3 million, down £166,000 against budget. Membership income was £166,000, up £33,000 against budget. Retail generated sales of over £820,000, only just missing budget. Our commission from our catering partner was £105,000.

The dip in visitor numbers has been felt across the sector, the bad weather being cited as the main reason for this. The closure of Neptune Court has affected NMM visitation although we are seeing increased visitation to the Queen's House as a result of the re-routing. So far July numbers are looking more promising.

The Board was informed that the Cutty Sark Rig Climb relaunched in June and is now a seasonal activity rather than year-round, operating mainly at weekends.

In May we introduced a Universal Credit Ticket at Cutty Sark as a pilot exercise over the summer. Several of our peer organisations already run such a scheme. To date 240 UC tickets have been sold.

We are currently in discussion with our catering partner Benugo regarding an extension to their contract and discussing with them ideas to boost sales.

Trustees welcomed the introduction of the Universal Credit ticket and agreed that such initiatives could help attract more funding for First Light if it were to be continued when the ROG re-opens.

The presentation concluded with a sample of comments received from our visitors, notably one in particular welcoming the Universal Credit ticket. There were no further questions and the Chairman thanked the Head of Commerce and Visitor Experience for her presentation.

8. Finance Report

The Executive Business & Operations Director started his presentation by summarising the 2023-24 outturn position, reminding the Board that as agreed at the February meeting, the end of year surplus of £2,167m would be granted to the RMG Foundation and in due course would be drawn down for the additional works occasioned by the Ocean Court project. He noted that the Annual Report and Accounts for 2023-24 was complete but the laying in Parliament has been delayed by the General Election.

Turning to our Reserves, the Executive Business & Operations Director talked Trustees through the analysis of unrestricted, spendable reserves as set out in the Finance Paper, including the General fund of £3m in the RMG and £5.6m in RMGF. If we do end this current financial year on a deficit the gap will be filled from these RMG Reserves. The Chair noted that using the Reserves to address shortfalls would not be sustainable in the long term. This was acknowledged by the Directors who stated that we are working hard to boost visitation, particularly at the Cutty Sark in light of likely ROG closure for First Light. Trustees also heard that ticket yields were currently better than expected which will cushion the impact of reduction in visitor numbers.

There was some discussion around ideas which might boost income on catering, retail, particularly online sales, opportunities for upselling and Customer Relationship Management. Trustees queried whether the Festival days were successful in generating income and were told that we are considering introducing a small charge for some elements of the Lunar New Year offer, partly to raise income but also to improve the visitor experience, as large numbers risk compromising visitors' enjoyment. The Director suggested that we should have a session on commercial opportunities at a future Board meeting and the Chairman suggested speaking with the Commercial team on his next visit.

There were no further questions and the Chairman thanked the Executive Business & Operations Director for his update which was **noted**.

9. Audit Chair Report to Board

The Chair of the Audit Committee referred Trustees to his written report and concluded that overall the Committee were content with the current situation. The Internal Audit opinion was that the control environment was good. He commended the team in the preparation and execution of the Annual Report and Accounts.

There were no questions from the Board and the Audit Chair's Report was **noted**.

10. Safeguarding update

The Head of Engagement and the Head of People & Culture summarised the work done by the Museum's safeguarding working group since receiving recommendations from an external audit conducted by SCIE (Social Care Institute for Excellence).

Trustees pointed out that the law on safeguarding is quite specific and relates to children and adults at risk only. Whilst they were supportive of the wider approach taken by the Museum, it was deemed appropriate to differentiate between meeting

our legal obligations and what might be considered as best practice so that Board members could be clear on their responsibilities.

There were no further questions or points raised and the Chair thanked the Head of Engagement and the Head of People & Culture for their presentation and work done thus far. Trustees will receive an annual update on safeguarding matters.

11. Ocean Court update

The Chairman and Trustees welcomed back the Executive Creative Director who provided the Board with an update on the Ocean Court Project, and specifically the ideas to put the ocean at the centre of the National Maritime Museum. Our aim is to give visitors an emotional understanding of the ocean's vastness and power, and our connections to and across it. Our ambitions are to have a high visual Impact; a strong ocean theme linked to the galleries; address 'ocean blindness'; improved welcome orientation and events space.

In terms of our programme for achieving these ambitions we have broken the various components into 3 phases beyond the delivery of the initial basebuild:

- Phase 1: To be delivered by June 2025 – new Great Map; new wall treatment and entrance décor; removal of some of the less relevant large objects and reinterpretation of the remaining objects
- Phase 2: To be delivered between June 2025 and March 2026 will include a public programme, changing displays and event banners
- Phase 3: To be delivered between April 2026 and March 2030 will involve some changes to the podium galleries, the Bridge Gallery and the gallery currently being used for APY.

The emphasis on the ocean was broadly welcomed by Trustees as it connects all our other themes. The Chairman asked if we are on track and was informed that for the DCMS funded element of the project (i.e.: the new glazing) work was on track; for the other elements, such as the cooling and acoustic systems, we have still to contract the work but we are not anticipating any problems or delays currently.

There were no further questions and the Chairman thanked the Directors for their update which was **noted**.

12. Risk: Organisational overstretch

There was no time to discuss this item and it was postponed until the next meeting in November.

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

There were no matters arising from the information in Volume B.

The Director advised Trustees that the complaint from a member of the public mentioned at the last Board meeting was ongoing and that Dr Butcher was assisting the management team in trying to find a resolution. A copy of recent correspondence will be sent to Trustees for their information.

The Director informed Trustees that following several complaints over the last year regarding the Sackler's name on the Pacific Encounters Gallery, a meeting had been held with Dame Theresa Sackler who had agreed to the removal of the name from

the gallery. The Chairman had been informed at the time of the meeting and the gallery name has now been updated accordingly.

Minutes certified by Lance Batchelor, Chairman 21 November 2024