



MINUTES

IN CONFIDENCE

Board of Trustees (2014-03)

Date 5 March 2014
Location IWM London
Present Sir Francis Richards (Chairman)
Lieutenant General Sir John Kiszely (Deputy Chairman)
Lord Ashcroft
Lord Black of Brentwood
Sir Miles Irving
Bronwen Maddox
Colonel Marv Makulowich
Dame Judith Mayhew Jonas
ACM Sir Stuart Peach
HE The Hon Mike Rann
Sir John Scarlett
HE Sir Lockwood Smith
Sir Hew Strachan
Sir Nick Williams
Diane Lees, Director-General
Jon Card, Museum Secretary, Director of Business & Governance
Gill Smith, Assistant Museum Secretary (minutes)

The Chairman welcomed Sir Lockwood Smith to his first meeting as Trustee for New Zealand.

Sir Francis paid tribute to Roger Tolson, Principal Curator in IWM's Regeneration team, who had presented at the previous meeting, and who had died in February. Trustees noted Roger's huge contribution to IWM and expressed their condolences on his death.

1 Apologies

Apologies for absence were received from Mr McKane, Mr Watkins and Lord West and from the High Commissioners for Canada (represented by Colonel Makulowich), India, Pakistan, South Africa and Sri Lanka.

2 Conflict of Interest Declaration

No Trustee had any conflict of interest to declare relating to matters on the current agenda.

3 Minutes of the Meeting held on 4 December 2013 and Matters Arising

- 3.1 The minutes of the meeting held in December 2013 were agreed and signed.
- 3.2 The revised minutes of the meeting held in September 2013, amended in accordance with the discussion in December, were agreed and signed.
- 3.3 A redacted version of the December minutes for publication on the IWM website was tabled and noted.
- 3.4 As matters arising from the meeting in December, Trustees noted that
 - The IWM North master plan would be brought to the December 2014 meeting (item 5.3); and

- They had been notified in December of the decision to outsource the IWM Visitor Services and Security function (item 13).

4 Membership

4.1 Board Memberships

The Chairman was pleased to report the reappointment of Sir John Scarlett by the Foreign Secretary to be a Trustee for a further term of four years from 22 December.

Sir Francis expressed the Board's thanks to the Australian High Commissioner, Mike Rann, for whom this would be the last meeting. Mr Rann had considered his time as a Trustee both a privilege and delight and remarked that he had much enjoyed working with Ms Lees and the Trustees.

The Chairman reported that this would also have been the last meeting for Lord West, whose term of office came to an end in June. He paid tribute to Lord West who had been enormously helpful in negotiations concerning the development of HMS *Belfast's* entrance and had provided the way to valuable funding sources.

- 4.2 Regeneration Committee Trustees APPROVED the reappointment of Mike Griffiths and Tony Halmos to the Regeneration Committee until the end of the current year.

5 Financial Sustainability

- 5.1 Mr Card introduced the paper on financial sustainability which was the final strategy item to come out of the Away Day in October 2012. The strategy aims to decrease fixed cost; increase self-generated income; and increase financial flexibility. Mr Card highlighted the fact that recent fund-raising successes and the commercial strategy agreed in 2013 would not be enough to ensure sustainability in the long term, particularly in light of expected cuts to grant in aid going forward. IWM's reserves and development capital needed to be built up again.

- 5.2 Ms Lees added that, unlike some of the other organisations in the sector, there had been no compulsory redundancies at IWM. Many staff were engaged in completion of the various projects related to the First World War centenary, and the new galleries at IWM London. However, a programme for change and a new staffing strategy did need to be developed and the Director-General reminded Trustees that a loan application had been made to DCMS for a sum of money to support the change programme.

- 5.3 Trustees noted and discussed the current political commitment to free admission and established that it was intended that income would be raised from charging in other areas, including special exhibitions and high end profitable enterprises such as corporate hire and hospitality, finding the correct balance between what was a core public service and what commercially exploitable. *Information has been exempted under Section 36 of the Freedom of Information Act 2000*

Trustees believed that

- *Information has been exempted under Section 36 of the Freedom of Information Act 2000;*
- careful balance was required between reliance on government funding as a point of last resort, and caution about putting the nation's assets at risk.

- 5.3 The Board noted and APPROVED the financial strategy as presented and ENDORSED the following next steps:
- To develop and deliver the change programme;
 - Develop an overarching corporate fundraising strategy;
 - Review the operation of the IWM Foundation as part of the launch of future phases of master planning; and
 - Continue delivery of the Commercial Strategy to build levels of self-generated income and profit.

6 Corporate Plan 2014

- 6.1 The Director-General introduced Corporate Plan 2014 (CP 2014), which was presented for the Board's approval.

Ms Lees reminded Trustees that the immediate priorities centred on completing the transformation of IWM London, opening the building and meeting the outstanding fundraising target. She explained that CP 2014 was a holding plan, asking Trustees to pay particular attention to the figures and activities for 2014/15; future years were dependent on grant in aid going forward and the financial strategies outlined in the previous item.

- 6.2 In the course of discussion, Trustees noted that the forecast footfall at IWM London for the period after re-opening was based on best research rather than exact science; and established that the Centenary Partnership was already bringing in additional income, including from a large image sales order and from a selected IWM brand retail offer.
- 6.3 The Board APPROVED the Corporate Plan for 2014.

7 IWM London Regeneration: Progress Report

- 7.1 Dame Judith Mayhew Jonas, chair of the Regeneration Committee, referred to the progress report which demonstrated that a huge amount had been achieved since the Board meeting in December. She hoped that this had been evident from the brief glimpse which Trustees had had of the site prior to the meeting. *Information has been exempted under Section 36 of the Freedom of Information Act 2000.*

Dame Judith was pleased to report that some of the risks within the project risk register were already being closed off.

- 7.2 Trustees noted that there was still significant pressure on the programme and budget, and were assured that every effort was being made to minimise this through weekly site programme meetings, and regular inspections by members of the Regeneration Committee. Dame Judith expressed her thanks to the Committee for their on-going support, and Sir Nick Williams affirmed that the high value of the committee members was evident in the way that they continued to press the consultants and interrogate the financial reports.
- 7.3 Lord Black provided an update on fund-raising and the work of the IWM Foundation, reporting on recent donations which brought the total fund to within £2m of its target. Sir Francis expressed the Board's thanks to the IWM Foundation.

One or two Trustees raised the question of an on-going public campaign after re-opening and noted that the matter of collecting boxes within the galleries was already under discussion.

- 7.4 Sir Hew Strachan advised the Board that the Academic Advisory committee for the FWW exhibition, which he chaired, had begun to address some of the potentially controversial

subjects from the period. *Information has been exempted under Section 36 of the Freedom of Information Act 2000.* Ms Lees reported that many of these topics were embedded in the risk register and Trustees noted that a Q&A document would be prepared to aid responses.

- 7.5 In reply to a question from Trustees, Ms Lees explained that she could not yet give a definite date when Phase 2 of the Regeneration programme would come before the Board. This would depend on the appointment of a member of staff to take forward the planning in succession to Roger Tolson.

8 Board Effectiveness Review

- 8.1 The Chairman spoke about the Board's away day in January. Trustees noted the record of issues raised at that event, management's response to them, and the list of actions and areas for improvement which had been circulated.

- 8.2 Reviewing the actions, Trustees noted that:

- A list of forward agenda items for the year's meetings had been circulated; and
- A note on the IWM's stakeholders together with information about forthcoming events had been tabled.

Sir Francis also reported that he had begun his programme of one to one meetings with Trustees and the matter of greater diversity would be given further consideration and addressed in the context of two vacancies coming up on the Board during the course of the year.

- 8.3 Referring to Trustee attendance at events, Ms Lees drew attention to the various events to mark the opening of the new IWM London galleries. Trustees would be invited to two events on 17 July – the formal opening and a VIP reception later the same day. She encouraged Trustees to come to both events and hoped that she might be able to rely on individual trustees for help in hosting them.

The Australian High Commissioner reported on a recent visit to IWM North during a trip to Manchester. He had been received with enthusiasm and appreciation and encouraged colleagues on the Board to drop in to the branches when they had the opportunity.

- 8.4 The Chairman concluded this item by reminding the Board that feedback on improving effectiveness was welcome and encouraged Trustees to get in touch at any time.

9 Collections Review

- 9.1 A paper presenting recommendations for disposal as a result of the continuing Collections Review process was taken as read.
- 9.2 In accordance with the Acquisitions and Disposal Policy, with procedures for disposal agreed in July 2011, and subject to further approval by DCMS where necessary, Trustees APPROVED the disposal of ten items:

Detail has been exempted under Section 36 of the Freedom of Information Act 2000

10 IWM Projects: Progress Report

Trustees noted the progress which was reported on the various major projects. In particular the Director-General referred to the *Lives of the First World War* project, which had been previewed and very well received at the Who Do You Think You Are exhibition in London. The Beta site was live and being tested, with public launch due in May.

Action: Demonstration of the project for Trustees at the next meeting

Air Chief Marshal Peach congratulated IWM Duxford on the award of the HLF grant for the American Air Museum and reported on his recent visit to this branch when he had met with management.

11 Director-General's Report

The Board noted with approval the Director-General's Report which comprised a record of the Museum's activities for the period October to December 2013, and the supplementary reports covering Acquisitions and Loans. Additionally, Ms Lees reported on admissions figures for the first two months of 2014 which were very encouraging.

12 Performance and Financial Review

- 12.1 The Board received and noted the performance review and financial tables for the third quarter of 2013/14.
- 12.2 Trustees APPROVED a grant of £1.35 million to the IWM Trading Company for Learning Activities.
- 12.3 Trustees APPROVED the grant to the IWM Development Trust of any surplus funds at the end of the current financial year.
- 12.4 Trustees APPROVED the application of the following restricted funds – totalling £871,200 - towards the IWM London Regeneration project:
- £797,694 for IWM London Redevelopment
 - £37,415 for IWM London
 - £31,715 for El Alamein (to be used for the Second World War exhibit on the War in Africa) and
 - £4,375 for Collections Management.
- 12.5 In the course of discussion, Trustees
- Elicited that effective public programming aimed to keep the uplift of visitors to IWM London at a raised level after opening;
 - Acknowledged there was a good opportunity to cross-promote First World War centenary related events in Australia, Canada and New Zealand.
- Action: IWM to investigate taking this forward especially in the context of the FWW Touring exhibition**
- Noted that long term forward planning would prohibit IWM from taking or participating in any new special exhibitions.

13 Date of Next Meeting: Wednesday 2 July 2014, 14:00 at IWM London.

14 Future Agenda

The Chairman reminded the Board that primary items of business on the next agenda would include a presentation of *Lives of the First World War* and a brief on the communications strategy for the opening of IWM London, as well as the Annual Report and Accounts.

15 Any Other Business: There was none.