

BOARD OF TRUSTEES

Friday, 20 March 2015

Armagh County Museum

Trustees Present:

Mr Miceal McCoy - Chairman
Dr Rosemary Kelly - Vice Chairman
Professor Michael Catto
Professor Garth Earls
Mrs Hazel Francey
Dr Leon Litvack
Mr Alan McFarland
Dr George McIlroy
Mrs Catherine Molloy
Mrs Annette Moor
Dr Margaret Ward

In Attendance:

Ms Pamela Baird – Head of Strategic Research & Planning
Mr Paddy Gilmore – Director of Learning & Partnership
Mrs Jude Helliker – Director of People & Performance
Ms Sinead McCartan – Head of Collections Research & Interpretation
Mrs Gillian McLean – Director of Marketing, Communications & Trading
Mr Paul Sheridan – Acting Director of Finance
Ms Jenny Carmichael – Committee Secretary

1. BUSINESS OF CHAIRMAN

1.1 Conflicts of Interest

The Chairman asked Trustees to report any conflicts of interest in relation to the business to be discussed. There were none.

1.2 Apologies

Apologies were received from Mrs Daphne Harshaw, Professor Karen Fleming, Dr Jim McGreevy and Mr Joseph Rice.

1.3 Board Self-Assessment

The Director of People & Performance advised Trustees that the Board Self-Assessment template had been developed following research, including review of existing tools used by other organisations.

The Chairman welcomed the document as a useful starting point and invited Trustees to provide feedback individually through the Director of People & Performance. The Chairman wished to be in

a position to complete the document by the June Board meeting to enable compliance with the self-assessment process.

Action Points:

- Timeframe to be communicated to Trustees: **Director of People & Performance**
- Feedback to be provided via Director of People & Performance: **All**

1.4 **Board Governance Working Group**

The Chairman reminded Trustees that they had previously provided information on their interests across a range of disciplines. He advised them that a brief synopsis of this information would be forwarded to them.

The Chairman advised Trustees that the Board Governance Working Group, which usually met the day before Board meetings, had been unable to do so for a number of reasons. The Chairman requested that dates be scheduled into the Business Planning Diary to ensure that these meetings did take place.

Action Points:

- Synopsis of Trustee interests to be provided: **Director of People & Performance**
- Dates to be scheduled for Board Governance Working Group: **Director of People & Performance**

1.5 **Board Public Affairs Strategy**

The Chairman advised Trustees that savings delivery plans and future plans would be considered at the June meeting. In parallel, a public affairs strategy would be discussed to maximise Trustees' assets. He stressed the importance of analysing where the organisation wanted to be and with whom it wished to collaborate.

Action Point:

- Public Affairs Strategy required for June Board meeting: **Acting Chief Executive**

1.6 **Sports Museum Proposal**

The Chairman advised Trustees that he had had preliminary discussions with Ronnie Spence about the future of a Sports Museum in Northern Ireland. Trustees expressed their support and it was agreed that further investigation should be undertaken to ensure that National Museums was involved in the process.

Action Point:

- Matter to be explored further, and a report of findings to be brought to Trustees: **Executive Team**

2. APPROVAL OF MINUTES OF MEETING HELD ON 12 DECEMBER 2014

On the proposal of Dr Litvack, seconded by Dr Kelly, Trustees approved the minutes of the meeting of 12 December 2014 and authorised the Chairman to sign them, subject to the following two amendments:

- Page 8, KPMG Internal Audit Report: the statement 'Five reports had been reviewed by KPMG' to be amended to read 'Five reports had been provided by KPMG for review by ARAC';
- Page 9, Quarterly Review of Internal Audit Recommendations, third bullet point: phrase 'no longer being acceptable' to be amended to read 'no longer being achievable'.

Action Point:

- Minutes to be amended and forwarded to Chairman for signature: **Committee Secretary**

3. MATTERS ARISING

- **DCAL's Review of Northern Ireland Museums Council**

The Director of People & Performance reminded Trustees that the recent review of the Northern Ireland Museum Council by DCAL had proposed amongst other options the merging of the Museums Council with National Museums Northern Ireland. This had not been the Trustees' preferred option, however further discussions had taken place between DCAL, NIMC and NMNI with a view to exploring the feasibility of a co-location option. Discussions between the respective Chairmen and Chief Executives of the NMNI and NIMC had reached broad agreement on this proposal and both parties had been asked to commence dialogue on facilitating appropriate accommodation for NIMC at the Cultra site. The Director of People & Performance added that space at the Cultra site had been identified; the Head of Buildings & Estates had visited NIMC and would draw up floor plans; and NIMC had contacted its present landlords to give notice of its intention to terminate its lease.

Mr McFarland asked if there were any conflicts of interest with regard to accreditation and was advised there was no conflict as accreditation of NMNI would be undertaken by Arts Council England.

The Director of People & Performance advised Trustees that the Minister had still to formally approve the co-location.

On the proposal of Mrs Moor, seconded by Dr Litvack, the Board of Trustees endorsed the proposal for NIMC and NMNI's co-location.

4. LOANS FOR APPROVAL BY THE BOARD OF TRUSTEES

There were no loans for approval.

5. BUSINESS OF THE EXECUTIVE

5.1 Business Plan 2014-15

5.1.1 Business Plan Quarterly Update – Quarter 3 (April - December 2014)

The Director of People & Performance drew Trustees' attention to the following points:

- With one exception, the Key Performance Indicators (KPIs) were all on target at the end of Quarter 3. Some, including those in relation to initiatives targeted in areas of multiple deprivation, to the number of loans, to the number of organised learning visits and to the

number of volunteers, had already been met or exceeded; and the total number of visitors was expected to exceed 770,000.

- KPI 15, Payments processed within 10 days, was the only KPI below target at 85% processed within 10 days. This was the result of diminished resources, staff training and annual leave in the first half of the year and, while the KPI was now well ahead of target, the target of 90% might not be achieved.
- Community engagement had been a key focus and the huge effort was well articulated in the quarterly update.
- The document, 'Positive Change for People & Communities', from the Learning & Partnership Directorate had been sent to the Minister.
- The results for out-of-state and C2DE visitors had been positive.
- There had been positive collaborations with Libraries NI and the local museums' sector. The Chairman requested further information on the number of loans received by NMNI from local museums.

Mr McFarland told Trustees that he had met the Deputy Permanent Secretary at the Somme Heritage Centre the previous week, when it had been drawn to their attention that the lack and expense of cases made it prohibitive for small museums to accommodate loans. In the discussion that followed, it was recognised that there were many factors preventing small museums from taking loans including environmental conditions, security requirements, accreditation status and insurance and transport costs.

Mrs Molloy observed that the Continuous Household Survey level of museum visitation from those living in the 20% most deprived areas was very low at 26%. The Director of Learning & Partnership advised Mrs Molloy of some of the initiatives being undertaken to build relationships with people in these communities.

Mrs Moor commented on evidence of social media impacts, citing as an example the Modern History Gallery video which had a relatively low number of views. Discussion followed. Mrs Moor believed this area needed to be teased out more and she encouraged greater creativity.

The Director of People & Performance drew Trustees' attention to two upcoming exhibitions at the Ulster Museum: 'A Viking's Guide to Deadly Dragons' opening in May and 'Silent Testimony' by Colin Davidson which would open in June.

Action Points

- Information to be provided on number of local museum loans received by NMNI: **Acting Chief Executive**
- Briefs on upcoming exhibitions are to be circulated to Trustees: **Acting Chief Executive**

5.1.2 Performance Update (April 2014 - January 2015)

Trustees noted the report, Performance Update April 2014 – January 2015. The Director of Marketing, Communications & Trading drew Trustees' attention to the following points which reflected the more up-to-date position:

- the higher visitor numbers were the result of: overall favourable weather for outdoor sites; high event attendance; good programming; sound PR coverage; strong repeat visitation; the delivery of excellent service by the Operations Directorate, as demonstrated by high visitor satisfaction; advertising activity including summer and Christmas campaigns, and the Irish News partnership;
- there had been 752k web visits by the end of February with 830k projected by year-end;

- visitor satisfaction at the end of Quarter 3 had been exceptionally high across all sites with 99% of visitors fairly or very satisfied, of which 86% were very satisfied;
- formal and informal learning visits were ahead of annual targets.

Dr Kelly enquired about the relationship with the Irish News and how it was evaluated. She also asked if the relationship had caused any negative impact on relationships with other newspapers. The Director of Marketing, Communications & Trading advised that the value of the Irish News PR over the six-week period had been equivalent to £138k. She also stated that she believed there were no negative impacts resulting from this relationship on other media.

5.2 Financial Performance – 2014/15

5.2.1 Revenue Budget Report

The Acting Director of Finance reviewed the Revenue Budget Report for the period ending 31 January 2015 and highlighted the following points:

- self-generated income was performing above target
- admissions income was also performing well as a result of the high visitor footfall
- retail performance and corporate events hire had both exceeded targets
- budgets were projected to come in on target.

Trustees noted the Revenue Budget Report.

5.2.2 Capital Programme Report

The Acting Director of Finance outlined the capital programme position. The total capital funding for 2014/15 currently stood at £3.1m, with a current balance of £314k. All projects were on target for completion by 31 March 2015, with no issues to report. Trustees noted that National Museums was currently in copyright negotiations with the artist regarding the acquisition of the Waterford Crystal Scence.

Trustees noted the Capital Programme Report.

5.2.3 Savings Delivery Plans Quarter 3

The Acting Director of Finance presented the report, Savings Delivery Plans 2014-15 Quarter 3, which outlined the organisation's performance to date towards fulfilling the Savings Delivery Plans years 1-4. The Acting Director of Finance advised Trustees that the organisation was on target to meet SDPs, even allowing for the additional £561k taken from budgets within the current year.

Dr Kelly enquired about preparation for the next CSR period. The Chairman suggested that it would be helpful to have a series of monthly meetings for the GP&F Committee in relation to planning for both CSR and the VE scheme. Dr Kelly asked that these meetings, and those of the Governance Working Group, be included in the Business Planning Diary.

Trustees noted the report on the Savings Delivery Plans 2014-15 Quarter 3.

Action Points:

- Series of GP&F meetings re CSR and VE Scheme planning to be arranged and added to Business Planning Diary: **Director of People & Performance**
- Dates for Governance Working Group to be included in Business Planning Diary: **Director of People & Performance**

6. BUSINESS PLANNING 2015-16

- 6.1 **Draft Business Plan 2015-16**
- 6.2 **Draft Corporate Strategy**

The Director of People & Performance advised Trustees that, having received feedback from DCAL on the draft Business Plan 2015-16, the document had been amended to align it more closely to the Corporate Strategy, and, that, as a result, some minor amendments had also been made to the Corporate Strategy. These amendments had been highlighted in red in the documents circulated to Trustees in advance of this meeting.

The Director of People & Performance advised Trustees that the amendments had been relatively minimal compared to previous years. Trustees noted that a letter had been received from DCAL advising National Museums that both documents had been forwarded to the Minister.

Trustees noted the amendments and approved the re-submission of the documents to DCAL.

7. ADOPTION OF MANAGEMENT STATEMENT AND FINANCIAL MEMORANDUM

The Acting Director of Finance advised Trustees that the Management Statement and Financial Memorandum (MSFM) had been revised in consultation with DCAL and DFP. There had been no major changes and the copy before them had been provided for information.

Dr Kelly requested that an electronic copy of the MSFM be circulated to Trustees.

Trustees noted and endorsed the MSFM.

Action Point

- Electronic copy of MSFM to be forwarded to Trustees: **Acting Director of Finance**

8. TRANSFER OF ARMAGH COUNTY MUSEUM

The Director of People & Performance advised Trustees that all arrangements for the transfer of Armagh County Museum to local authority control were going to plan and that the transfer schemes, already signed by DCAL and Armagh City, Banbridge and Craigavon Borough Council, would be signed later that day by the Chairman and Vice Chairman.

It was agreed that all ACM staff would be awarded lifetime membership of National Museums in recognition of their service.

Trustees unanimously approved the signing of the transfer scheme.

Action Point

- Letter, with lifetime membership card, to be sent to all ACM staff: **Chairman**

9. COLLECTIONS MANAGEMENT FRAMEWORK POLICIES

[This Item was taken out of order, between Items 4 and 5 above, and the Head of Collections Research & Interpretation withdrew from the meeting on completion of the item.]

The Head of Collections Research & Interpretation, deputising for the Acting Chief Executive, advised Trustees that National Museums was required to complete an Accreditation return by April 2015. She outlined the process and the changes since the last accreditation in 2009.

Trustees noted that 4 policy documents had been revised in preparation for the Accreditation. These were the Collections Development Policy, 2015; the Collections Information & Access Policy, 2015; the Collections Care & Conservation Policy, 2015; and the Environmental Sustainability Policy Statement, 2015.

The Head of Collections Research & Interpretation led Trustees through the main points. In particular, she sought their views on two specific areas in the Collections Development Policy as follows:

- at 1.2.12, regarding disposal for financial reason, Trustees accepted the first option;
- at 16.13, regarding disposal by exchange, Trustees accepted the second option.

Trustees also requested a number of minor amendments.

Trustees welcomed the policy documents, congratulating all those involved in their preparation. On the proposal of Mrs Moor, seconded by Mr McFarland, Trustees approved the four policies in principle, subject to the agreed amendments.

Action Point

- Agreed amendments to be incorporated into policies:

Head of Collections Research & Interpretation

10. SAFEGUARDING CHILDREN & VULNERABLE ADULTS POLICY

The Director of Learning & Partnership advised Trustees that the annual review of the Safeguarding Children & Vulnerable Adults policy had been completed. He reminded them that it had last been considered by the Board following the KPMG audit. Given that the document was for external use, it had been redesigned to be more accessible and user-friendly. A full version was available to staff on the intranet.

In response to questions from Trustees, the Director of Learning & Partnership advised that in-depth training was provided for Designated Officers and that an e-module was available for all other staff. He further advised that all contractors were required to sign up to the policy's terms and conditions.

The Director of Learning & Partnership further advised that the decision not to undertake annual Access NI checks had been taken following collaboration with the DCAL Safeguarding Forum and discussion with the NSPCC and other organisations such as Volunteer Now. Trustees noted that the definition of regulated activity had been changed to 'regular unsupervised contact with children' and that no staff employed by National Museums would ever have such contact.

Mrs Annette Moor requested that further discussion take place with KPMG regarding the frequency of Access NI checks from an audit assurance perspective.

Trustees reviewed and noted the policy statement.

Action Point

- Access NI checks to be discussed with KPMG in light of audit assurance:

Director of Learning & Partnership

11. BOARD OF TRUSTEES' COMMITTEES

11.1 Audit & Risk Assurance Committee

11.1.1 Adoption of Minutes of Meeting held on 12 December 2014

Trustees noted four changes agreed by the Audit and Risk Assurance Committee to the minutes of 12 December 2014. Subject to these amendments, Trustees adopted the minutes.

Action Point

- Amendments to be made to ARAC minutes of 12 December 2014: **Committee Secretary**

11.1.2 Verbal Report of Meeting held on 20 March 2015

The Chairman of the Audit & Risk Assurance Committee gave a brief overview of discussion that had taken place at that morning's meeting of the Committee. She made specific reference to the following:

Corporate Risk Register:

- Strategic risks had been reduced from 6 to 5, with the removal of the risk 'Managing the Capital Resource'. As some areas of ambiguity had been identified with the term 'capital resource', the Executive Team had been asked to review the definition.
- DCAL had redefined red risks as those with a risk management scoring of 15 or above. However National Museums would continue to identify red risks at a rating of 12 or above.
- DCAL had changed the frequency of its requirement to undertake reviews to a quarterly basis, a timescale National Museums already adhered to.

It had been the view of the Committee that the Risk Register presented an accurate reflection of the organisation's current risk position.

KPMG Internal Audit Reports:

Of the 13 reviews scheduled for the year, 5 had been reported to the Committee in December, 4 were still to be completed and 3 had been presented that morning - Management of Third Party Contractors; Procurement; and Safeguarding of Children and Vulnerable Adults Procedures. A fourth report, Review of Mechanisms in Place to Prevent and Detect Fraud and Bribery Offences, had been withdrawn pending availability of further information.

External & Internal Audit Recommendations:

The Committee had noted that there was one outstanding external recommendation in connection with deferred income and six outstanding internal recommendations.

Fraud Update

There had been four incidents reported during the year. The Committee had been content that no weaknesses had been identified in the control systems. A review of the Fraud Response Plan had been initiated and would be brought to Trustees for approval in due course.

NIAO 2014/15 Financial Audit Strategy

The Financial Audit Strategy had been presented to the Committee and a series of questions arising from it would be addressed.

Bi-Annual Assurance Statement

Committee Members reviewed the Bi-Annual Assurance Statement and recommended that it be signed by the Chairman of the Board of Trustees and forwarded to DCAL.

Draft Governance Statement 2014/15

Committee Members noted the draft Governance Statement. They were asked to review it and submit any comments to the Acting Director of Finance by early May to enable the revised document to be brought to the June ARAC meeting.

Additional Matters:

- **Previous VER scheme:** the Chairman of the Audit Committee had requested a summary report setting out background information on the previous VER scheme. This had been received. Members had asked for outcomes to be explored further and findings brought to the June meeting of the Board of Trustees.
- **Review of Travel, Subsistence, Imprest, Hospitality and Organisation Credit Cards:** the Acting Director of Finance had been asked to prepare a report on this matter. As it had not been available for that morning's meeting, the Committee had asked for the matter to be placed on the agenda for the June ARAC meeting.

Action Points

- Documentation on previous VER scheme to be circulated to Trustees:

Director of People & Performance

11.2 General Purposes & Finance Committee

11.2.1 Adoption of Minutes of Meeting held on 24 October 2014

The Board adopted the above minutes of the General Purpose & Finance Committee.

11.2.2 Verbal Report of Meeting held on 30 January 2015

The Chairman of the General Purposes & Finance Committee, Dr Kelly, advised Trustees that, since there had been good attendance at the meeting of 30 January, she did not intend to review the business of the meeting.

Dr Kelly raised the issue of secretarial support for the Board. She believed there should be a dedicated Board secretary through whom Trustees could channel all requests and who would be responsible for ensuring that draft minutes were issued in a timely manner. The Director of People & Performance reminded Trustees that her role included that of Board Secretariat and she undertook to fulfill where possible all Trustee requests, if forwarded in the first instance to her. This matter would be reviewed further by the Chairman and the Director of People & Performance.

In the interim, Dr Kelly had two specific requests: that draft minutes be made available to the Chair of each Committee within two weeks of the meeting; and that even though still unapproved, all Committee minutes be included with the papers for Board meetings.

Action Points:

- Draft minutes to be forwarded to Committee Chairmen within two weeks of meetings:
Director of People & Performance
- Copies of all Committee minutes, whether approved or not, to be included in papers for Board meetings:
Director of People & Performance
- Matter of Board secretarial support to be considered further:
Chairman, Director of People & Performance

12. ASSEMBLY QUESTIONS WRITTEN AND ORAL

Trustees noted Assembly Questions, both written and oral, and Management's response in respect of same.

13. ANY OTHER BUSINESS

- **Collections Awareness:** the Chairman referred to the importance of Trustees understanding the full curatorial/collections implications of any given matter and proposed that Trustees be given the opportunity for half-day sessions around the sites to increase collections awareness and provide the opportunity to meet curators.
- **DCAL Access to National Museums' Bank Account:** the Acting Director of Finance advised Trustees that DCAL had instructed National Museums to join the NICS Pool Account arrangement some years ago. This enabled 'pooling' of balances from all the DCAL ALBs at the end of each evening, ensuring appropriate working capital management across the DCAL family. In connection with this arrangement, Danske Bank had submitted a mandate for signature.

Trustees noted the information and approved the signing of the Danske Bank mandate.

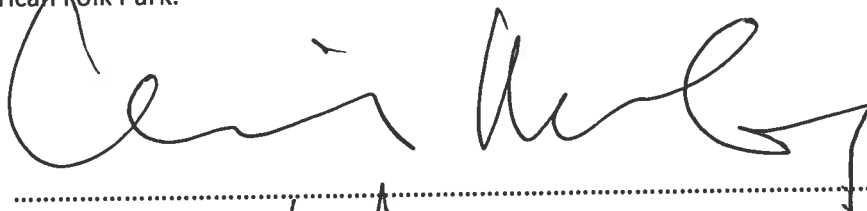
Action Point

- Sessions to raise collections awareness and to give Trustees opportunities to meet curators to be arranged:
Acting Chief Executive

14. DATE, TIME AND VENUE OF NEXT MEETING

The next meeting of the Board of Trustees would take place on Friday, 19 June 2015 at 11.30 am at the Ulster American Folk Park.

Signed:



Date:

19th June 2015