

Minutes of SMG Board of Trustees Meeting
Held in the Dana Study, Science Museum and Microsoft Teams on
Wednesday 6 March 2024

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| Present: SMG Trustees Sir Tim Laurence (Chair) Professor Stephen Belcher James Bilefield Professor Brian Cantor (<i>items 1 – 10</i>) Tim Dugher Judith Donovan Lord Hendy (<i>items 1 – 9</i>) Professor Anya Hurlbert Professor Ajit Lalvani (<i>items 1 – 5 & 11 – 19</i>) Iain McIntosh Baroness Nicky Morgan Lopa Patel Professor Greg Radick Sarah Sands (<i>items 1 – 12</i>) Sarah Staniforth Steven Underwood | <u>In attendance:</u> SMG Executive Sir Ian Blatchford, Director & Chief Executive Shri Mukundagiri, Chief Operating Officer Nicolas Raynaud, Director of Finance and Corporate Services Peter Dickinson, Director of Communications Deborah Myers, Director of Development Anna Dejean, Masterplan Director Dr Roger Highfield, Science Director Dr Julia Knights, Deputy Director, Science Museum (ScM) Sally MacDonald, Director, Science & Industry Museum (SIM) Judith McNicol, Director, National Railway Museum (NRM) Jo Quinton-Tulloch, Director of National Science and Media Museum (NSMM) Craig Bentley, Director of Estate Jade Kirton-Vaughan, Head of Directorate (<i>Minutes</i>) David Meek, Trustee, Science Museum Foundation (<i>Observer</i>) |
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1. Apologies for absence

Apologies had been received from Professor Washington Ochieng and David Jacob.

2. Declarations of interest

None.

3. Draft Minutes of SMG Board Meeting on 6th December 2023

The minutes of the meeting were approved and would be signed by the Chair. (Action: TL / JKV)

Regarding item 5, days after the December Board meeting, the outcome of the South Kensington Underground Station public inquiry was heard, with the station development being allowed by the Planning Inspectorate.

Regarding item 4.3, the Framework Document had been approved by the Chair and Accounting Officer and would be taken for approval by DCMS and HMT.

4. Chair's Update

The Chair gave a verbal update and the following was noted:

- At its Closed Session, the Board had approved the appointment of Baroness Nicky Morgan as Deputy Chair of SMG.
- The Chair had visited the National Coalmining Museum of England and noted his thanks to staff who hosted the visit.
- The Chair had met the DCMS Permanent Secretary and DCMS Director General that week and it was hoped there would be positive news in the Budget announcement.
- During the meeting it was announced that £15m had been approved in the Budget for NRM from the Levelling Up Community and Culture Fund.

5. Director's Report

The paper circulated previously was noted. In addition:

- Congratulations were offered to Roger Highfield on his book: Stephen Hawking: Genius at Work.
- The People's Postcode Lottery had increased their annual grant to SMG from £700k to £900k.
- AHRC were keen to be involved with the Horizon's Gallery project. Conversations would now take place with each of the funding councils.
- Both the East End Project at SIM and Station Hall at NRM were within budget.

6. National Coal Mining Museum for England (NCMME)

The paper circulated previously was noted and a presentation on the background of the museum and its challenges and opportunities was shared. In addition:

- The Memorandum of Understanding had been updated and DCMS were engaged on the situation. It had been suggested that the relationship between NCMME and SMG should be reviewed in 12 months' time.
- The railway carrying passengers on site must comply with all appropriate regulations. SMG staff should offer advice to NCMME on this issue. (ACTION: JM)

- The Board approved the signing of the updated Memorandum of Understanding.

7. Collections Storage and Security – Initial Action Plan

The paper circulated previously was noted. In addition:

- Whilst major improvements had been made to storage since 2015, in part due to the construction of Building One, there was still work to do and in the long term another large storage building would be required. In the short-medium term there were changes to procedures and policies being made, as well as physical measures.
- Archives remained the biggest risk and cataloguing would mitigate this.
- A discussion on the radioactive store at SCM took place. A paper would come to a future Board meeting on the state of the store with a view on risks and mitigations. (ACTION: Sma)
- The level of screening for staff working with the Collection was discussed and thinking around clearance levels would take place and be reported on at a future meeting. (ACTION: Sma)
- It was suggested that an updated KPI be set around achieving a percentage of the Collection in appropriate storage by a set date. This would be considered but funding would be key to achieving this. (ACTION: Sma)

8. Strategic Risks

The paper circulated previously was noted and a discussion on SMG risks took place. In addition:

- It was noted that the Risk Management process did not mention the Board clearly enough and that would be amended. (ACTION: NR)
- Some Trustees felt that the number of red risks remaining presented an overly negative view of the situation. Others felt that a risk remaining red after mitigation implied that the Board was accepting too high a level of risk. However, it was noted that some risks were outside of SMG's control and there was not enough resource to fully mitigate all risks.
- It was suggested that some overlapping risks could potentially be consolidated.
- Two of the risks were challenged: the Cyber Security risk as it was suggested the risk was outside of SMG's control and could not be mitigated to the extent suggested in the paper, and the Collections risk as it was suggested this should not be in the red level. These would be reviewed. (ACTION: NR)
- Overall, the Board felt that the Executive had correctly identified the most serious risks and that mitigation action was appropriate.

9. Annual Review of SMG's Progress to Net Zero by 2033

The paper circulated previously was noted. In addition:

- Further decarbonisation on Scope 1 would be required in the form of boiler replacements. These would require additional capital funding and the suggestion for the next two years was to focus on energy efficiency measures whilst funding sources were identified.
- SMG was considering off-setting options including purchasing or leasing peatland or the use of woodland carbon units. It was noted that the cost of off-setting would be an additional annual cost to the budget.
- Nature based solutions remained a focus rather than carbon capture technologies as the technology was not yet widely commercially available.
- It was suggested that the KPI for Scope 3 needed adjustment so that it was scalable for the future, for example could CO2 emitted per visit or per square meter be measured? (ACTION: JK / CB)
- One of the assumptions in the SBTi Report regarding catering suppliers was challenged and a response on this point would be shared post meeting. (ACTION: JK / CB)

10. An update on SMG Finances and approval of 2024/25 SMG Budget

The papers circulated previously were noted and a detailed discussion took place. In addition:

- The 2024/25 Budget was presented at a deficit, with the intention of reducing for 2025/26. The deficit had been reduced significantly through a range of cost saving measures, including savings in staff costs.
- It was agreed that a deficit budget was highly unsatisfactory, and conversations were taking place with DCMS and HMT on solving SMG's structural funding issue.
- A formal letter of support from DCMS was being sought as part of the production of the SMG Annual Report and Accounts.
- Planning for actions to reduce the deficit further was recommended with a view to discussing that at the next Finance Committee with options to be presented to the Board in June. (ACTION: NR)
- The Board approved the 2024/25 Budget.

11. Partnership Panel recommendations

The papers circulated previously were noted. A detailed discussion on the two prospects being recommended by the Partnership Panel took place. In addition:

- The Board asked to see the breakdown of which sectors SMG funding came from and this would be circulated post meeting. (ACTION: DM)
- The Board approved the recommendations outlined in the paper to proceed with further approaches to the two prospects.

- The Board approved the proposed changes to the Due Diligence process.

12. Masterplan and Estate Committee Approvals

The papers circulated previously were noted. In addition:

- The Board approved Gateway 4 for the S+IP Capital Programme of work, to allow the project to complete the procurement of the main contractor.
- The Board approved the delegation of approval to the Masterplan and Estate Committee for the Sound & Vision and Power Hall projects.
- The Board approved five property transactions, all of which would be subject to DCMS approval. The transactions were:
 - o Locomotion Overage Deed
 - o Network Rail Lease Variation
 - o Visitor Car park lease at NRM
 - o Vodafone Wayleave at SCM
 - o Lease extension at Wroughton (approved with a Board majority vote).

Lopa Patel's objection to the lease extension at Wroughton was noted. The objection was based around the lease being for 99 years and SMG not being able to develop that area of the site during that time. It was however stated that the facility had a dedicated entrance and exit which would not prohibit development. It was noted that there were standard break clause provisions in place.

13.

13.1 Policies and Terms of Reference Approvals

SMG Fellowship Nominations Committee Terms of Reference

The paper circulated previously was noted and the Board approved the revised Terms of Reference.

The Chair suggested that a further trustee should join the Committee and requested any interested trustees to volunteer for consideration. (ACTION: TL)

14. SMG Finance Committee Report

The Finance Committee Chair gave a verbal update. The following points were noted:

- At its last meeting the Finance Committee extensively discussed the setting of a deficit budget, the need for an even greater focus on cash forecasting and the need to evaluate the performance of previous exhibitions. The Committee offered its thanks to SMG teams for their action on costs.
- Power Up at SCM was 12 months ahead in terms of income.
- The Finance Committee had approved the Investment Policy and Reserves Policy.

15. SMG Audit and Risk Committee Report

The Audit and Risk Committee Chair gave a verbal update. The following points were noted:

- Two new non-trustee members had joined the Committee.
- Following recent control issues in the procurement function, three separate reports had been commissioned and action points were being taken forward. This included the introduction of a Project Management Office function to oversee projects and provide a second line of monitoring.

16. SMG Masterplan and Estate Committee Report

The Masterplan and Estate Committee Chair gave a verbal update. It was noted that the volume of work in the Masterplan and Estate teams was very high. All were asked to consider this when thinking about new projects.

17. SMG Collections and Research Committee Report

The Collections and Research Committee Chair gave a verbal update. It was noted that much work was taking place such as Collections audits, work on the store at NSMM and reclassification of some objects in the collections management system.

18. Railway Heritage Designation Advisory Board Report

The paper circulated previously was noted.

19. AOB

It was noted that Digital was absent from the agenda, and it was requested that thought be given to bringing this topic back to future meetings.