

Natural History Museum – Governance Principles and Procedures

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1. Purpose

The [British Museum Act 1963](#) sets out the fiduciary responsibilities of the Board of Trustees of the Natural History Museum¹. The Act states that the Trustees may make rules for regulating their proceedings and for other matters relevant to the exercise of their functions. This document sets out the Trustee's rules for ensuring that its statutory obligations are met and that high standards of governance are maintained. It forms part of the governing documents of the Museum. It takes account of good corporate and charity governance practice, including government regulation and guidance relevant to the Museum's status as a Non-Departmental Public Body (NDPB). All Trustees and staff should abide by the principles and procedures in this document; it will be provided to Trustees as part of their induction (see section 8.4).

In line with good practice, it is the intention that the Governance Principles document will be reviewed and endorsed by the Board of Trustees every two years. Responsibility for keeping this document up to date has been given to the Board and the Secretary to the Board. For transparency, the document is also available on the Museum's inward facing Intranet site and the public facing website.

2. Aim

The purpose of the Natural History Museum ("the Museum") is to maintain and develop its collections and to use them to promote the discovery, understanding, responsible use and enjoyment of the natural world.

Under the [British Museum Act 1963](#), the Trustees of the Natural History Museum are responsible for the safekeeping and care of the Museum's collections for current and future generations, and for making them available to those who wish to see them, and generally for ensuring the proper administration of the Museum. These are the core functions or "objects" of the Museum for charity law purposes.

These principles provide the governance framework that underpins our mission, vision and strategic objectives.

Our mission is to create advocates for the planet. Our vision is of a future where both people and the planet thrive. To achieve this, we will harness the powerful combination of our three key assets: our collection, our scientific research and our reach to a worldwide audience.

We face a planetary emergency. Humanity's future depends on the natural world, but we are not taking effective action to combat our destructive impact on the planet's survival systems. Global warming, biodiversity loss and extinctions, habitat destruction, waste, plastic, air and water pollution, erosion, soil loss, deforestation, desertification, ocean acidification, the loss of coral reefs and other crises all flow from unsustainable human activity. By threatening Earth's natural systems, we threaten our own future. We must act now, we must act on scientific evidence and we must act together. Our strategy to 2031, the 150th anniversary of the Natural History Museum opening at South Kensington, was published in January 2020. It sets out the part the Natural History Museum will play as a global, scientific and cultural leader. Our five interlinked strategic priorities will drive our activities over the next 12 years. These are:

- Secure the future of our collection: ensuring our collection is safe, accessible and digitally available – for future innovations and generations.
- Transform the study of natural history: applying technological innovations to our collections, collecting and science, bringing benefits to people and planet. Training future generations of scientists.
- Develop our gardens and galleries: creating new spaces, inside and out, combining heritage and experience to connect to nature.
- Engage and involve the widest possible audience: reaching out nationally and globally, onsite and online to create advocates for the planet.
- Create a resilient and sustainable organisation: investing in people, technology and our estate. Striving towards financial and environmental sustainability.

¹ Meaning the Trustees' responsibilities under the British Museum Act 1963. Trustees also have responsibilities from other areas of law such as the Health and Safety at Work Act 1974 and have fiduciary duties under common law.

3. Legislative and Regulatory Framework

The Museum is a statutory corporation aggregate. i.e. a type of corporation that is made up of body of people and is not a company subject to the Companies Act 2006. Its constitution and responsibilities to Government as a public body, are set out in the [British Museum Act 1963](#) as amended and the [Museums and Galleries Act 1992](#) (“the Acts”). The Acts set out the legal powers which the Trustees may exercise in furtherance of the charitable objects of the Museum, and restrictions on those powers.

The Museum is also an exempt charity listed under schedule 3 of the [Charities Act 2011](#). As a result:

- it is subject to charity law as described in the Government’s [guidance for exempt charities CC23](#) and some Charity Commission guidance will apply to its activities;
- its Principal Regulator is the Secretary of State for Digital, Culture, Media and Sport (“DCMS”);
- it is not directly regulated by the Charity Commission but could be investigated by the Commission at the request of the Department for Digital, Culture, Media and Sport (“DCMS”).

The Museum is an Arm’s Length Body (“ALB”), and within that definition is classified as a Non-Departmental Public Body (“NDPB”). It is accountable to Parliament (and its committees, such as the Public Accounts Committee) and subject to Parliament’s requirements as well as those of its sponsor body, DCMS, HM Treasury and the Cabinet Office.

As a result, the Acts are supplemented by the Management Agreement between DCMS and the Museum, which provides the framework for the relationship with DCMS and the use of funds by the Museum (including certain limitations on how funds can be used) and [Managing Public Money](#) (Appendix B), which is guidance issued by HM Treasury on how to handle public funds.

The periodic Funding Agreement (as set in Appendix A) is made between the Museum and DCMS alongside funding allocations, setting out the targets and priorities for the Museum over the spending review period².

Certain activities carried out by the Museum are also subject to external regulation and codes of practice. This includes regulation of the Museum’s:

- fundraising practice by the Fundraising Regulator in accordance with the [Code of Fundraising Practice](#) and the Museum’s [Fundraising Promise](#);
- licensed activities and scheduled purposes under the Human Tissue Act by the Human Tissue Authority³;
- data privacy and information transparency (including disclosures under the Freedom of Information Act and the Environmental Information Regulations) by the Information Commissioner’s Office;
- health and safety compliance by the Health and Safety Executive; and
- advertising and promotions by the Advertisings Standards Authority.

The Board and Director are responsible for ensuring that the Museum acts in accordance with all relevant legislation, regulation and binding codes of practice.

² All Museum funds, regardless of whether they are public funds or those generated by the Museum itself, are subject to government accounting rules.

³ Licensed under Section 16 (2) (f) (i) and (ii) of the Human Tissue Act 2004 for the purpose of public display of the body of a deceased person or relevant material which has come from a human body; and under Section 16 (2) (e) (i) and (ii) for the storage of the body of a deceased person or relevant material which has come from a human body for use for the following scheduled purposes:

- Establishing after a person’s death the efficacy of any drug or other treatment administered to him.
- Obtaining scientific or medical information about a living or deceased person which may be relevant to any other person (including a future person).
- Public display.
- Research in connection with disorders, or the functioning, of the human body.
- Education or training relating to human health.

4. NHM Governance Structure

The Board of Trustees are legally responsible for the management of the Museum.

Responsibility for the day-to-day management of the Museum is delegated to the Museum Director, who reports to the Board of Trustees.

The Executive Directors, who report to the Director, have collective responsibility as an Executive Board and delegated authority as individual Executive Directors to manage distinct areas of activity through their management structures in Engagement, Science, Development, Corporate Services and Directorate.

An organogram of the governance structure is included in Appendix C and details of the Board Committees is included in Section 13.

5. Board Principles

The Board will, within the resources available to it, exercise its powers in such a way that it promotes:

- the national and international role of the Museum;
- the conservation, enrichment and care of the Collection;
- a wide understanding of, and access to the Collection;
- research relating to the Collection;
- the use, care and development of the Museum's buildings and sites;
- the reputation of the Museum;
- transparency and efficiency in the administration of the Museum and in particular, quality in financial planning and reporting; and
- financial sustainability, including fundraising, to enable the Museum to fulfil its aim in perpetuity.

The Board will approve the Museum's Strategic Plans and Financial Budget.

The Board will discharge its responsibility for the general management and control of the Museum through delegation to and supervision of the Director as set out in these Governance Principles and Procedures.

6. Board Responsibilities

The Trustees of the Museum have statutory duties under the Acts for the general management and control of the Museum and for the appointment of the Director.

Within the framework of these statutory duties, the role of the Trustees is to establish Museum policy, review performance and endorse appointments to key management positions.

Trustees may decide to delegate, where they have power to do so, responsibility for specified matters to individual members or committees of the Board (see section 13 on Board Committees). Decisions taken by individual Trustees or committees of the Board under delegated powers should be recorded in written minutes available to the Board as a whole.

The Board is specifically responsible for:

- ensuring that the Natural History Museum fulfils the aims and objectives set out in its founding legislation and within the policy and resources framework determined by the Secretary of State
- determining the steps necessary to deal with any developments which are likely to affect the Natural History Museum's ability to fulfil its aims and objectives and keeping the responsible DCMS minister informed if any such developments arise
- ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority, within the resources framework determined by the Secretary of State and any delegated authority

agreed with the sponsor department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by the sponsor department;

- ensuring that the Natural History Museum complies with the requirements of charity law where this applies
- ensuring that the Board receives and reviews regular financial information concerning the management of the Natural History Museum; is informed in a timely manner about any concerns about the activities of the Natural History Museum; and provides positive assurance to DCMS that appropriate action has been taken on such concerns
- demonstrating high standards of corporate and charity governance at all times, including using its Audit and Risk Committee to help the Board to address key financial and other risks
- appointing with the Prime Minister's approval a director and, in consultation with DCMS, set remuneration terms linked to performance against objectives for the Director and
- ensuring that any public functions of the Natural History Museum are carried out in compliance with statutory duties.

The Trustees are also the charity trustees of the Museum for the purposes of charity law and as such have an overarching duty to act in the best interests of the Museum. Charity trustees' other core duties are summarised in the [Charity Commission's guidance document CC3: The Essential Trustee](#).

7. Board Members' Standards of Conduct

Individual Trustees are required to ensure that their conduct on the Museum's behalf is at all times moderated and guided by the:

- Terms defined in this document,
- Nolan Principles of Public Life (Appendix B)
- Terms of the Cabinet Office Code of Conduct for Board Members of Public Bodies (Appendix B) and with the rules relating to the use of public funds and to conflicts of interest
- Museum's Code of Ethics (Appendix C)
- The Charity Commission's guidance document CC3: The Essential Trustee (Appendix B)

Trustees are expected to:

- Act in good faith and in the best interests of the NHM
- Not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
- Comply with the Museum's procedures and protocols regarding gifts and hospitality while performing their role as a Trustee⁴ (Appendix C);
- Inform the Chair in advance of any new appointments which may impinge on their duties as a Trustee of the Museum;
- Promote the work of the Museum through the communication of agreed statements formulated by the Director and the staff of the Museum and in some cases agreed by the Board;
- Comply with charity law and guidance issued by the Charity Commission as it applies to exempt charities;
- Contribute towards the NHM's fundraising work, including introducing potential individual and corporate donors to the Museum, championing the Museum's membership programmes, encouraging the sponsorship of exhibitions as well as lending support to raising money for capital campaigns;
- Safeguard the Museum's reputation, both through their own actions and associations and (where appropriate) by considering relationships with key donors, sponsors and other third parties;
- Keep matters arising from the Board confidential unless otherwise agreed;

⁴ A review will be conducted on an annual basis (retrospective of the previous financial year) at the Trustees' May meeting. This will be published on the Museum's internet site.

- Direct inquiries made by members of the media in relation to Trustees' role at the Museum or on any issue that relates to the Museum or its business in general, to the Director and the Museum's media relations staff;
- Trustees are expected to abide by the Museum's IT Security, IT Conditions of Use, Data Protection, Intellectual Property and Records Management requirements, as set out in internal Policies and Procedures. This includes the sole use of NHM issued email accounts to conduct and receive all NHM business, as per the NHM Email Management Policy.

7.1. Code of Ethics

The Museum is committed to the highest standards of ethical conduct in our activities. Ethics are an essential part of decision-making and of ensuring proper and transparent administration of the Museum.

The Museum's Code of Ethics (Appendix C) underpins the Museum's mission and vision, core organisational values and strategic objectives. The entire NHM community, including Trustees, are expected to act ethically and in accordance with the principles set out in the Code when making decisions at all levels.

The Museum's Executive Board is responsible for keeping the Code of Ethics under review for the Board of Trustees. The Museum has an Ethics Advisory Panel which reports to the Executive Board. The Executive Board may refer matters considered by the Ethics Advisory Panel to the Board of Trustees where appropriate.

7.2. Conflicts of Interest

Trustees will manage any actual or potential conflict of interest in accordance with the Board's Conflicts of Interest Policy (Appendix C), declaring any actual or potential conflicts of interest as soon as possible after they arise.

The Museum maintains a Trustees' Register of Interests which is published on the Museum's website. In accordance with the Board's Conflicts of Interest Policy, Trustees should declare any personal or business interests that may conflict with their responsibilities as Board members for inclusion on the Register. The Secretary to the Board will make arrangements to include all Trustees' details on the Register.

The Board may seek advice from independent experts with regards to any matter involving a potential conflict, within the parameters prescribed by the Board's Conflicts of Interest Policy and the Museum's financial regulations, mindful of the Director's role as Accounting Officer.

7.3. Political Activity

As set out above, the Museum is an NDPB accountable to Parliament and to our sponsor body DCMS and other relevant government departments.

In considering appropriate political activities, Trustees should rely primarily on the Cabinet Office guidance *Code of Conduct for Board Members of Public Bodies*, most recently updated November 2019. This includes the following stipulations:

- In their public role, Trustees should be, and be seen to be, politically impartial.
- On matters directly related to the work of the Museum, Trustees should not make political statements or engage in any other political activity.
- Subject to informing the Chair, Director and/or DCMS, Trustees may engage in political activity but should, at all times, remain conscious of their responsibilities as board members and exercise proper discretion. Trustees should abstain from all controversial political activity.
- Trustees should not occupy a paid party political post or hold a particularly sensitive or high-profile role in a political party. As per the Terms and Conditions of their appointment, Trustees must notify the Chair (for co-opted members) or Secretary of State (for Prime Ministerial-appointments) if they intend to accept such a post; this will normally be considered incompatible with their appointment as a Trustee and early resignation would be expected.

- Board members who are MPs, Peers, members of a devolved legislature, directly elected mayors, local councillors or police and crime commissioners are exempt from the above requirements and may undertake political activity that is separate from their role as a Trustee. However, these Trustees must still exercise proper discretion (including having regard to the need to manage conflicts of interest) on matters directly related to the Museum’s work, avoid matters of political controversy and recognise that certain political activities may be incompatible with being a board member.
- In addition, Members of the House of Lords will be guided in their conduct by the statement in the House of Lords made by Lord Addison on 21 March 1951, as amended by the Second Report from the Select Committee on Procedure of the House, 3 February 1971 (See [“Addison Rules”](#)).
- The Code of Conduct also notes that Trustees must comply with the additional restrictions that apply in the pre-election period, sometimes known as “Purdah”; Cabinet Office normally publishes [updated guidance](#) for each election cycle.

Additionally, aspects of Charity law apply. As well as being an NDPB, the Museum is also an exempt charity listed under schedule 3 of the [Charities Act 2011](#) and [its principal regulator is the Secretary of State for DCMS](#). The Charity Commission has published [guidance on exempt charities](#), which notes that trustees of an exempt charity [share the same general duties and responsibilities](#) as all charity trustees [including as they relate to political activity](#).

7.4. Safeguarding

The Trustees are responsible for ensuring that reasonable steps are taken to protect from harm people who come into contact with the Museum, including people who benefit directly from the Museum’s work, staff, volunteers and other people who come into contact with the Museum through its work.

Trustees must comply with the Museum’s policies and procedures on safeguarding. Day-to-day responsibility for safeguarding matters is delegated to the Director. The Director may refer matters to the Board of Trustees where appropriate and having regard to any need for confidentiality.

8. The Board of Trustees

8.1. Appointment

The Board shall comprise twelve Trustees, of whom eight are appointed by the Prime Minister, one is appointed by the Secretary of State, DCMS on the nomination of the President of the Royal Society, and three are appointed by the Trustees themselves (by co-option).

A Nominations Committee will be convened to oversee the appointment process for Trustee appointments as and when required and will make recommendations to the Board.

Those appointed by the Prime Minister are appointed by open competition in accordance with the requirements of the [Governance Code on Public Appointments](#) (Appendix B) including the appointment of an Independent Assessor to aid the Nominations Committee. Co-opted Trustees are also appointed by open competition, unless the Chair of the Board is able to demonstrate it is in the best interest of the NHM to not do so.

In line with these Principles and the Government’s [Corporate Governance Code for Central Government Departments](#) (Appendix B) the Board will have a balance of skills and experience appropriate to directing the NHM’s business.

All Trustee roles are initially appointed for a four-year period.

The Director, as Accounting Officer, should be entitled to attend interviews for the selection of Trustees.

8.2. Re-Appointment

Trustees can serve a second four-year term before standing down. Under exceptional circumstances, a further time-limited term may be granted by ministers.

Recommendations to re-appoint members are made by the Chair of the Board of Trustees in collaboration with the Museum Director and the Nominations Committee.

The recommendations are based on an assessment of performance (see section 8.5) over the previous period and a need for the person's particular skills over the next four-year period, as well as consideration of the overall composition of the Board.

The Chair of the Board of Trustees writes to the DCMS to request approval for reappointments and explaining the reasons.

8.3. Remuneration and Liability

In accordance with charity law principles, Trustees of the Museum are not remunerated for their services as Trustees.

Trustees may claim reasonable travel expenses in line with Government accounting guidelines and the Museum's own rules (See Business Expense Guidelines in Appendix E).

The Government has indicated that individual Trustees who have acted honestly, reasonably, in good faith and without negligence will not have to meet out of their own personal resources any personal civil liability which is incurred in execution or purported execution of their Board functions.

The Museum maintains Directors and Officers Liability insurance which provides some liability and indemnity cover for Trustees in relation to their actions on behalf of the Museum subject to certain limits and conditions (further details can be provided on request).

8.4. Induction

The Secretary of the Board will arrange a programme of meetings for new Trustees introducing them to the Museum's structure, organisation, key staff, current major projects and Strategy.

New Trustees will be provided documentation describing the key responsibilities and requirements of members of the Board, including standards in public life (See Appendix E).

Should Trustees require any additional training or information, this can be arranged via the Board Secretary.

8.5. Performance review

The Board of Trustees commissions a formal external review of Board performance, and that of the Trustees' Audit and Risk Committee, every three years. In the intervening years, an annual appraisal is undertaken by the Chair.

Individual performance reviews are conducted by the Chair annually and as part of the reappointment process.

The performance of the Chair of the Board of Trustees is reviewed by the Chair of the Audit and Risk Committee annually.

9. The Chair of the Board

9.1. Appointment

Whenever the office of Chair is vacant, the Trustees shall elect from amongst their number a Chair.

Election from the Board to Chair counts as a new appointment and hence the Chair will be eligible to serve a four-year term.

A Trustee will be selected to oversee the process for the election of Chair of Board of Trustees.

A former Chair who is still a Trustee shall be eligible for election as Chair.

9.2. Chair Responsibilities

As set out in the Management Agreement with DCMS, the Chair is responsible to the Secretary of State for ensuring that the NHM fulfils its statutory purpose as set out in its founding legislation, that it complies with charity law, that where appropriate the NHM's policies are consistent with those of the Secretary of State, and that the NHM's affairs are conducted with probity. The Chair is also responsible for good governance and for ensuring that appropriate Board appraisal processes are followed.

In addition, the Chair has the following leadership responsibilities:

- formulating the Board's strategy for discharging its statutory duties
- ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the responsible minister or DCMS
- ensuring that the Board, in reaching decisions, takes proper account of the requirements of charity law
- supporting the Accounting Officer in promoting the efficient and effective use of staff and other resources
- supporting the Accounting Officer in delivering high standards of regularity and propriety and
- representing the views of the Board to the general public.

The Chair also has an obligation to ensure that:

- the governance structure is appropriate, and that membership of the Board and its committees has the appropriate level of skills, knowledge and experience
- the performance of the Board and its individual members are reviewed annually and operate effectively and to instigate remedial action should this not be the case
- the Board has a balance of skills appropriate to directing the Natural History Museum business, as set out in the [Corporate Governance Code for Central Government Departments](#)
- Board members are fully briefed (see Induction section 8.4) and understand their terms of appointment, duties, rights and responsibilities
- when required, he or she, together with the other Board members, receives appropriate training on financial management and reporting requirements and on any differences that may exist between private and public sector practice
- the responsible minister is advised of Natural History Museum needs when Board vacancies arise and
- he or she assesses the performance of individual Board members when being considered for re-appointment.

The Chair will meet regularly with the Director between Board meetings and will report to the Board as appropriate on such meetings.

10. Board Procedures

Ordinary Meetings of the Trustees shall be held at least four times a year.

Special Meetings of the Trustees may be summoned and held at any time, and shall be summoned if the Chair so directs or if a notice in writing requiring such a Meeting and supported by no fewer than three Trustees is delivered to the Secretary to the Board of Trustees.

In exceptional circumstances requiring urgent action, all effort to arrange a Special Meeting in due time for the Board to consider such action must be exhausted before the Chair may authorise, in consultation with the Director and Board, any action deemed necessary outside of either Ordinary or Special Meetings.

Failing the quorum of four Trustees, a Meeting shall stand adjourned to a date to be fixed by the Chair.

Trustees are expected to attend all relevant board and sub-committee meetings regularly.

A Trustee will be expected to resign promptly if:

- the Trustee is disqualified under the Charities Act 2011 from being a charity trustee;
- the Trustee is prohibited from being a company director by law;
- a bankruptcy order is made against the Trustee;
- a composition is made with the Trustee's creditors generally in satisfaction of the Trustee's debts;
- the Trustee has been physically or mentally incapable of managing his or her affairs for a period of [three months];
- the Trustee's non-attendance at meetings is in the Board's view persistent or attendance becomes so erratic as to interfere with the effectiveness of the Board;
- the Board resolves that it would be in the best interests of the Museum for the Trustee in question to do so, provided that prior to such resolution being passed the relevant Trustee has been permitted to make representations in writing and any such representations have been taken into account by the other Trustees.

It is a requirement to report attendance at board meetings in the Museum's statutory annual report and accounts.

Trustees unable to attend a meeting will advise the Chair as soon as possible and confirm this in writing to the Secretary of the Board.

In the event that they are unable to attend any meeting, Trustees may request the Chair or Board Committee Chair (as appropriate) to make representations on their behalf on any matter for discussion.

Agendas for meetings will be determined by the Chair in consultation with the Director and Secretary to the Board and taking into account the wishes and priorities of the Board.

The Chair shall, if present, preside at Ordinary and Special Meetings of the Trustees.

At any Meeting of the Trustees at which the Chair is not present, the Trustees present at that Meeting shall elect one of their number to take the chair.

Any question to be decided at any Meeting of the Trustees shall be decided by the votes of the Trustees present at that Meeting. Board discussion should be constructive and open. The Chair will endeavour to obtain consensus amongst the Board but may, where it is felt necessary, call for a vote. In the event of an equality of votes, the Chair or other Trustee taking the chair shall have a second or casting vote.

Minutes of all Board and Board Committee discussions will be kept by the Secretary to the Board and will be subject to approval by the Board or the respective Board Committees.

Minutes will record decisions taken and identify issues raised.

The [minutes of the Board of Trustees](#) are published on the Museum's intranet and public facing website following approval by Trustees.

At the beginning of each meeting of the Board, the Chair is required to ask Members of the Board whether they have any conflict of interest to declare in relation to the items included in the meeting's agenda.

A Trustee who has declared a conflict of interest will (in accordance with the Board's Conflicts of Interest Policy) not count towards the quorum or consensus or vote in relation to that item, and will not participate in the discussion relating to that item. The Trustee in question may, at the discretion of the other Trustees, be asked to withdraw from that part of the meeting.

10.1. The Common Seal

The application of the common seal of the Trustees shall be authenticated by the signature of a Trustee or one of the officers of the Museum that are authorised by the Trustees so to act.

The Trustees hereby authorise the Director to:

- apply the common seal and authenticate it with their signature; and
- delegate such authority to members of the Executive or senior staff in writing with appropriate limited circumstances.

11. The Director

11.1. Relationship with the Board

The role of the Director is to manage the Museum within the framework of the strategies and plans agreed by the Board of Trustees, and to provide the link between the Board of Trustees and the management of the Museum.

The Director is accountable to the Trustees for the care of the Collection and other assets of the Museum, and for the general administration of the Museum.

Subject to the limitations set out in this document, the Director is authorised to direct staff, establish any policy, make any decision, enter into any financial, contractual and other obligation, apply the common seal and authenticate it with their signature, take any action and develop any activity that will achieve the Museum's purpose, in line with the Museum's Strategic Plans and Financial Budget.

The Director may delegate such responsibilities to executive directors of the Museum. Those executive officers may in turn delegate such responsibilities to their staff but will retain accountability for the actions of those staff.

11.2. Role of the Accounting Officer

The Director is appointed as Accounting Officer by the Permanent Accounting Officer for DCMS. Their duties are set out in full in the appointment letter issued to the Accounting Officer by the Permanent Secretary. The Accounting Officer is responsible for accounting to Parliament, DCMS, the Board of Trustees and other stakeholders and carries out their duties and responsibilities as Accounting Officer in accordance with Chapter 3 of the Treasury Guidance, 'Managing Public Money' issued by HM Treasury.

As such, the Director has a personal responsibility for safeguarding the public funds for which you have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of public funds; and for the day-to-day operations and management of the Natural History Museum⁵. In addition, the Director should ensure that the Museum as a whole is run in accordance with the standards, in terms of governance, decision-making and financial management that are set out in Box 3.1 of *Managing Public Money*. In carrying out these duties the Accounting Officer is supported by the Board of Trustees.

The Director's duties as Accounting Officer with respect to the Board are:

- advising the Board on the discharge of its responsibilities as set out under the founding legislation, in this document, and in any other relevant instructions and guidance that may be issued from time to time
- advising the Board on the Natural History Museum's performance compared with its aim[s] and objectives
- ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed
- taking action as set out in paragraphs 3.8.5 and 3.8.6 of *Managing Public Money* if the Board, or its Chair, is contemplating a course of action involving a transaction which the Director

⁵ See Management Agreement section 5.2 for other key accountabilities of the Accounting Officer

considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, questionable feasibility, or is unethical.

11.3. Accountability and Reporting

The Director is accountable to the Board for the achievement of the Museum's Strategic Plan and compliance with the Financial Budget.

The Director will provide a report to each meeting of the Board.

The Director will advise the Board in a timely manner of all material matters affecting the Museum and its performance.

The Board of Trustees shall consider the performance of the Director each year via the Remuneration Committee according to a framework agreed between the Chair and the Director.

The Director will report to the Board on the structure, organisation and human resources of the Museum, including the systems in place for senior staff development, performance assessment and succession planning.

The Director will report to the Chair on any employment dispute or potential dispute with any senior member of Museum staff and will report on any vacancies arising among the Heads of Departments or other senior officer of the Museum.

The Director will review on an ongoing basis the effectiveness of the Museum and its management against relevant benchmarks.

The Director will report to the Board on any collections activity as defined within the NHM Collection Management Policies (Appendix C).

If in the reasonable opinion of the Board or of the Accounting Officer for DCMS the Director is no longer a fit person to carry out the responsibilities of an Accounting Officer, or it is otherwise in the public interest to do so, the Director's designation as Accounting Officer will be withdrawn and their employment will normally terminate. In such a case the procedures that apply will be the Museum's Disciplinary Procedures or the procedures relating to the withdrawal of Accounting Officer status from Chief Executives of NDPBs which are determined from time to time by the Cabinet Office and which are available from the Chair of the Trustees.

11.4. Limitations

The Director will not deviate from the Museum's purpose in determining policies, allocating resources, undertaking activities and directing staff.

The Director will neither cause nor permit any practice, activity or decision that is in violation of the legislative and regulatory framework, of the authority granted by the Board to the Director, or contrary to any other policy established by the Board.

In allocating the capital and resources of the Museum, the Director will not deviate from the Financial Budget or Strategic Plan, except with the prior approval of the Board.

The Director will not do anything that places the Museum in breach of regulations imposed on it as an NDPB.

The Director will not do anything that places the Museum in breach of its duties as an exempt charity.

The Director will ensure that the Museum operates within the effective system of internal controls determined by the Board.

The Director is not permitted to take part in national political activities as per the terms in their employment conditions and is required to seek permission from the Chair of Trustees to take part in any local political activities and must comply with any conditions laid down by the Chair of Trustees in respect of such participation.

12. Board Reserved Powers

The following powers are reserved to the Board and do not form part of the Board's general delegation to the Director:

- a. the election of a Chair of Trustees;
- b. the appointment (by co-option) of three of the Trustees;
- c. the appointment of the Director and approval of the posts which are members of the Museum's Executive Board;
- d. oversight of the performance and remuneration⁶ of the Director and other senior members of staff;
- e. approval of the sale or purchase of investments in accordance with the Trustees' investment policy;
- f. approval of the Museum's Strategic Plan (with particular reference to its purposes and public benefit) and Financial Budget;
- g. approval of the Museum's statutory annual report and accounts;
- h. approval and review of the Museum's policies and procedures for internal control, the management of risk and protection of the Museum's assets;
- i. approval of the acceptance of any gift in excess of £1,000,000 or to which significant naming rights and/or unusual conditions are attached, in accordance with the Museum's gift acceptance policy and procedures;
- j. consideration of requests for the repatriation of human remains as provided for in the Human Tissue Act, 2004;
- k. directly authorising any collections purchase, disposal or loan for the purposes of exhibition or research that requires or risks Museum resources worth £5,000,000 or more (cumulative total as based upon purchase price, insurance value, and/or cost of care) or which presents a significant reputational or scientific risk to the Museum;
- l. any other matter which the Director thinks it desirable to refer to the Trustees, or which Trustees request should be referred to the Board.

The Trustees have delegated to the Director the following powers on the basis that the Director shall report any significant collections activity within these areas:

- a. approval of the purchase of items valued at under £5,000,000 to be added to the collections;
- b. approval of the loan (whether for public exhibition or research, in the United Kingdom or elsewhere), of any item or items comprised in the collections worth under £5 million, (cumulative total as based upon insurance value, and/or cost of care) or which presents a significant reputational or scientific risk to the Museum;
- c. approval of the disposal including by sale, exchange, gift or destruction of any item or items comprised in the collections valued at under £5,000,000, subject to restrictions in the British Museum Act, 1963.

Trustees are presented with a list of purchases, exhibition loans and disposals below the £5,000,000 threshold quarterly.

13. Board Committees

To help support a diverse and complex organisation, the Board has established a number of advisory boards and committees, each with a defined remit and terms of reference. The role of these bodies is to assist with scrutiny and to provide advice to the Board. Current committees are summarised in the table below.

TABLE 1 BOARD COMMITTEES SUMMARY

⁶ Where the Board does not consider issues relating to staff remuneration itself, the Remuneration Committee will serve as the mechanism for such consideration.

| Committee | Hierarchy | Brief Summary of Remit | Membership | Annual Meetings |
|--------------------------------|--------------------|---|--|------------------------|
| Audit and Risk Committee | Sub-committee | Supports the Board of Trustees their responsibilities for issues of risk, control and governance, financial reporting and associated assurance. The Committee operates as a combined Risk, Audit and Finance Committee. | At least three trustees plus co-opted members | 4 |
| Remuneration Committee | Sub-committee | Oversees remuneration policy and reviews remuneration for the Director and senior staff. | At least three trustees plus any co-opted external members | Annual |
| Nominations Committee | Sub-committee | Makes recommendations to the Board on succession planning and senior appointments, including the Museum Director and runs the process for recruiting co-opted trustees. | At least three trustees plus any co-opted external members | As required |
| Infrastructure Committee | Sub-committee | To support the Board in meeting their responsibilities in respect of the Museum's real estate and all aspects of the NHM@Harwell Programme | The Director, at least two Trustees plus up to three co-opted members for each part of the meeting | 4 |
| Science Advisory Committee | Advisory Committee | Provides advice on the Museum's scientific activities including the fulfilment of the statutory responsibilities with respect to the Museum's collection and associated scientific activities. | Current NHM Scientific Trustees plus external appointments | 2-3 |
| Development Advisory Committee | Advisory Committee | Provides advice on the Museum's development (philanthropic and corporate sponsorship) activities. | Current Trustees plus external advisors as required | 4 |
| Commercial Advisory Committee | Advisory Committee | Provides advice on the Museum's commercial performance. | Current Trustees plus independent external advisors as required | 4 |

The terms of reference of the permanent Board Sub-committees are set out in Appendix D.

The Board may at any time appoint a committee to oversee areas of policy or specific large projects. In so doing, the Board shall agree the composition of such a committee, its terms of references and the appointment of a Chair.

The Board may at any time appoint a committee of expert persons, not necessarily including a Trustee, whose role is to advise the Board and the Director on specific areas of the Museum's activities. Such committees will be called "Advisory Committees".

The Trustees may delegate to a Committee special authority to act on behalf of the Trustees in any specified matter falling within the competence of that Committee.

Committees are permanent unless otherwise stated in their terms of reference, and the Board may reconstitute or dissolve any such committee as necessary.

13.1. Committee Composition and Appointments

The Board will approve the composition of each of the permanent committees, having considered any recommendations of the Nominations Committee.

All Trustee roles are initially appointed for a four-year period, renewable once for a further four years. Any extensions beyond this should only be in the most exceptional circumstances (See sections 8.1 and 8.2)

Board committees can request the presence of senior members of staff as non-voting advisors, via the Director, as they deem appropriate.

A Trustee will not serve on any such committee if at any time they have or may be seen to have, in the opinion of the Board, a relationship or interest that could interfere with the exercise of their independent judgment.

The Chair of the Board may be an ex-officio member of any Board Committee.

The arrangements for appointing individual Committee members must make it possible to remove them from office if they fail to perform the duties required of Board members to the standards expected of persons who hold public office.

13.2. Co-opted members to Committees

Committees of the Board shall be permitted to co-opt individuals provided that they do not have or are not seen to have, a relationship or interest that could interfere with the exercise of their independent judgment.

The Chair of the committee shall advise the Board of the appointment of co-opted members at the earliest opportunity.

Co-opted members shall be provided with a letter of appointment that sets out the terms and conditions of their appointment, and provided with a copy these Governance Principles and its appendices.

Co-opted members are expected to comply with the Terms of the Cabinet Office Code of Conduct for Board Members of Public Bodies (Appendix B) and with the rules relating to the use of public funds and to conflicts of interest at all times and to observe the guidelines set out in this document.

Arrangements shall be made by the Museum to provide suitable indemnities for co-opted members of committees.

13.3. Committee Chairs

The Trustees shall, in respect of each Committee, appoint a Committee Chair, provided that the Trustees may delegate this power of appointment to the Chair.

A Committee Chair shall be responsible for seeing that this Committee is convened on such convenient dates as its business may require and for approving the Minutes of its proceedings.

A Committee Chair shall preside at Meetings of this Committee or (if they are not present) the Committee Members present for that Meeting shall elect one of their number to take the chair.

13.4. Committee Procedures

The quorum at Committee Meetings shall be two. Otherwise, Board committees will observe the same rules of conduct and procedure as the Board, unless the Board otherwise determines.

The Director, as Accounting Officer (see section 11.2), should be entitled to attend all committees of the Board.

After every Committee Meeting, the Committee shall report the business done and the recommendations made to the next Meeting of the Trustees or, if time does not allow this, to the next but one Meeting of the Trustees.

13.5. Audit and Risk Committee

The Board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control. The Board is expected to assure itself of the effectiveness of the internal control and risk management systems.

The Board must set up an Audit Committee chaired by a Trustee other than the Chair of the Board. The Audit Committee should support the Board and Accounting Officer by providing advice and assurance on risk management and internal control.

The Board of Trustees commissions a formal external review of the Trustees' Audit and Risk Committee every three years.

The [minutes of the Board of Trustees and the Trustees' Audit & Risk Committee](#) are published on the Museum's intranet and public-facing website following approval by Trustees.

14. The Trading Company

The Natural History Museum Trading Company is a private limited company and a wholly owned subsidiary of the Natural History Museum. It carries out the commercial activities of the Museum and makes gift aid payments from its profits to Museum.

The Directors of the Trading Company must include at least three Directors (including the Museum Director) and at least half of them must be Trustees.

They are responsible for keeping proper accounting records recording the financial position of the company and ensuring the financial statements comply with the Companies Act 2006.

The financial statements, comprising the profit and loss account, the balance sheet and cash flow statement, are subject to external audit every year, and are consolidated with the financial statements of the Museum.

Details of the function of the Museum's Trading Company, its constitution, minutes and accounts. is available on the [Museum's website](#).

15. Appendices

A. Legislative and regulatory

- [British Museum Act 1963](#)
- [Museums and Galleries Act 1992](#)
- [Human Tissue Act 2004](#)
- Management Agreement with DCMS
- Periodic Funding Agreement

B. Codes and best practice

The Museum shall be aware of and, where necessary, comply with the following general guidance documents and instruction:

- ["Regularity, Propriety and Value for Money"](#) (HM Treasury publication)
- [Managing Public Money](#)
- [Museums Association Code of Ethics](#)
- [Nolan Principles](#)
- [Charitable Museums and Galleries : A Guide to Conflicts of Interest Policies, Trustee Benefits and Transactions between Trustees and Charities](#)
- [Corporate Governance Code for Central Government Departments](#)
- [Governance Code on Public Appointments](#)
- [Cabinet Office Code of Conduct for Board Members of Public Bodies](#)
- ['The Essential Trustee: What you need to know' \(CC3\)](#)
- [Code of Fundraising Practice](#)
- [Charity Governance Code](#)
- [MoU between the Charity Commission and DCMS](#) (Appendix C)

C. NHM organisation, policies and procedures

- Organogram
- NHM Code of Conduct
- [NHM Code of Ethics](#)
- [Trustee Conflict of Interests Policy](#)
- Collections Policy Framework
 - [Collections Introduction and Governance Policy](#)
 - [Collections Development Policy](#)

- [Collections Access and Information Policy](#)
- [Collections Care Policy](#)
- [Human Remains Policy](#)
- [Health and Safety Management Policy](#)
- Freedom of Information Policy
- Email Management Policy
- Counter Fraud, Bribery and Corruption Policy and Strategy
- [Responsible Procurement Policy](#)
- [Data Protection Policy](#)
- [Intellectual Property Policy](#)
- Safeguarding Policy
- Risk Management Policy [currently under review]
- Guide to Risk Management [currently under review]
- Contract Policy
- [Gifts and hospitality policy](#)
- IT Security Policy
- IT Conditions of Use Policy
- Travel Policy

D. Committee Terms of Reference

- [Audit and Risk Committee](#)
- Nominations Committee
- Remuneration Committee
- Infrastructure Committee

E. Trustee Induction Materials:

- These Governance Principles of the Natural History Museum and above appendices;
- [The Museum's Strategy](#)
- [NHM One-Year Operating Plan](#)
- The [Museum's recent accounts and reports](#);
- Terms and Conditions; either:
 - Co-opted Trustee and Chair Terms and Conditions (for co-opted Trustees and Chairs)
 - PM Appointed Trustee Terms and Conditions (for public appointed Trustees)
 - Terms and Conditions for Trustee appointed by the Royal Society
- Business expenses guidelines
- Travel expense form
- Welcome letter
- Additional training resources:
 - <https://www.fundraisingregulator.org.uk/more-from-us/resources/webinar-trustee-responsibilities>
 - Charity Commission guidance: [The essential trustee: what you need to know, what you need to do \(CC3\)](#) and [Exempt Charities \(CC23\)](#)