

THE BOARD OF TRUSTEES
OF THE
BRITISH MUSEUM

Governance Policies and Principles

November 2008

Governance Policies and Principles

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Governance Policies and Principles

Part I – Aim of the British Museum

The Aim of the British Museum (“the Museum”) is to hold for the benefit and education of humanity a collection representative of world cultures (“the Collection”), and ensure that the Collection is housed in safety, conserved, curated, researched and exhibited¹.

¹ Note: This statement represents a modern expression of the objectives of the Museum set out in the British Museum Act 1753.

Part II – Governance Principles and Process

Role of the Board of Trustees

The Board of Trustees of the British Museum (“the Board”) has statutory duties under the British Museum Act 1963 and Museums and Galleries Act 1992 (“the Acts”) for the general management and control of the Museum and for the appointment of the Director. The Director is accountable to the Board for the care of the Collection and other assets of the Museum, and for the general administration of the Museum, including the promotion of its educative function. The Director is the Accounting Officer for the purposes of reporting to the responsible Government Department.

In discharging its duties, the Board will:

- Focus on those tasks reserved to it as the guardian of the Museum’s interest;
- Consider and approve a policy framework comprising Board-Director Linkage and Limitation Policies within which it will delegate authority to the Director;
- Consider and approve a strategy (“the Strategy”) to achieve the Aim of the Museum; and
- Hold the Director to account for the exercise of his delegated authority and for achievement of the Aim of the Museum (“the Aim”).

The Board will define the strategic direction of the Museum and approve its execution in an annual plan drawn up in consultation with the Director. The Plan will include specific targets for the Director to achieve in pursuit of the strategic aims, and will pay due regard to the promotion of those matters identified in the Board operating principles in paragraph 2.1 below.

1. Overriding principles

- 1.1 the Board will at all times act in accordance with:
 - a) the Acts;
 - b) the duties imposed by law on charity trustees; and
 - c) all other applicable legislation and relevant legal requirements.
- 1.2 So far as is consistent with those matters identified in paragraph 1.1 above, the Board will act in accordance with the laws, regulations and other applicable standards of good practice that apply to it as an Executive Non Departmental Public Body.
- 1.3 The Board will establish operating principles for the general management and operation of the Museum and will assure itself that the Director, officers and staff of the Museum comply with such principles in the administration of the Museum.
- 1.4 The Trustees will act with integrity and impartiality and will exercise due skill, care and diligence in performing their functions.

- 1.5 The Trustees must avoid any actual or potential conflict between their own and the Museum's interests. In particular, Trustees are expected to adhere to the Seven Principles of Public Life established by the Committee on Standards in Public Life. Trustees shall follow the British Museum's guidance note on the Register of Interests and the DCMS/Charity Commission Publication: *Charitable Museums and Galleries: a guide to conflicts of interest policies, trustee benefits and transaction between trustees and charities*.
- 1.5 The Governance Manager of the British Museum ("the Governance Manager") will maintain for public inspection on behalf of the Board a Register of Trustees' Interests.

2. Operating principles

- 2.1 The Board will within the resources available to it exercise its powers in such a way that it promotes:
- a) the national role of the Museum and its global influence;
 - b) conservation, enrichment and study of the Collection;
 - c) wide understanding of and access to the Collection;
 - d) intellectual activity and scholarship relating to the Collection;
 - e) the use, care and development of the Museum sites;
 - f) the reputation of the Museum;
 - g) transparency and efficiency in the administration of the Museum and, in particular, quality in financial planning and reporting; and
 - h) the development and maintenance of a sound financial position including fundraising, in order that the Museum is able to fulfil its Aim in perpetuity for future generations.
- 2.2 The Board will adopt the Annual Plan providing for the promotion of those matters listed in paragraph 2.1 above, having taken into consideration any views and comments set out in the Management Statement and Financial Memorandum and the Three-Year Funding Agreement between the responsible Government department and the Museum.
- 2.3 The Board will discharge its responsibility for the general management and control of the Museum through policy made within the following categories:
- a) ***Governance principles and process*** by which it manages its own activities set out in this Part II.
 - b) ***Board-Director linkage*** which establishes the delegation and accountability linkage between itself and the Director (NDPB Accounting Officer) set out in Part III.
 - c) ***Limitations and Board reserved powers*** which establish the boundary between its own authority and that of the Director, and which designate the Limitations on the Director's authority and the policies and practice directions to be followed in the operation of the Museum. The Board will delegate to the Director responsibilities for performance within the

Limitations in Part IV and in accordance with those policies and practice directions.

- 2.4 The Board will assure itself that the Museum is fulfilling its Aim by achieving the targets established in the Annual Plan and that in doing so the Director and staff of the Museum are observing the Limitations.

Board Proceedings

- 2.5 The conduct of Trustees will be consistent with their responsibilities. The Board will carry out its role with discipline, emphasising strategic rather than short-term issues, policy rather than single events and Museum-wide rather than sectional decisions. Trustees will always act in accordance with the disciplines adopted by the Board for its activities.

- a) Trustees will use their best endeavours to attend meetings and to prepare thoroughly. It is expected that Trustees will attend at least 75% of all meetings of the Board and Board Committees (of which they are members) annually. The Act requires a quorum of 6 Trustees to be in attendance for each Board meeting. Telephone attendance at meetings is permitted. Trustees are expected to participate fully and frankly in Board discussions and to bring the benefit of their particular knowledge, skills and abilities to bear in Board meetings. Trustees unable to attend a meeting will advise the Chairman as soon as possible and confirm this to the Governance Manager. In the event that they are unable to attend any meeting, Trustees may request the Chairman or Board Committee chairman (as appropriate) to make representations on their behalf on any matter for discussion.
- b) The Board has sole authority over its agenda and exercises this through the Chairman. Any Trustee may request the addition of an item to the agenda. In practice, the agenda for Board meetings will be determined by the Chairman in consultation with the Director and the Governance Manager, and will generally follow an agreed format. Trustees will notify the Chairman of any actual or potential conflict of interest that may arise in the consideration of any agenda item.
- c) Board discussion should be constructive and open. Trustees are to feel free to give their honest opinion, it being recognised that constructive differences of opinion bring greater clarity and lead to better decisions. The Chairman will endeavour to obtain consensus in the Board but may, where it is felt necessary, call for a vote. In the event of a tied vote, the Chairman of the meeting will have a second or casting vote.
- d) Minutes of all Board and Board Committee discussions will be kept by Governance Manager and will be subject to

approval by the Board or the respective Board Committees. Minutes will record decisions taken and identify issues raised. Unless the context clearly requires or a Trustee expressly requests for exceptional reasons, minutes will not normally record individual opinions of Trustees.

- e) The Board will generally meet quarterly, working to a rolling calendar (which may also include periodic “away-day” sessions). The Board’s work programme will review and affirm the Strategy and Annual Plan it has established, and assurance will be given by the Director on the observance of the Limitations and the principles of delegation in Board-Director Linkage, including the Director’s operating policies and practice directions referred to therein. While retaining its ultimate legal accountability for the general management and control of the Museum, the Board will discharge this responsibility between Board meetings by delegating authority to a Standing Committee constituted for the purpose, which will meet as often required.
- f) At each meeting the Board will receive brief reports from the permanent Board Committees and will address: the present and anticipated cultural, educational and financial issues bearing upon the Strategy and Annual Plan; matters relating to the Limitations and assurances on their observance; the determination of matters within the Board’s own responsibility; and any changes to Board policies.
- g) The Board may seek advice from independent experts and will do so in the event that it is required to consider any matter involving a potential conflict.
- h) The Board may bring together in formal or informal gatherings appropriately qualified persons to assist it in understanding the global cultural, educational and financial environment shaping the options for developing the Museum in the long-term public interest.

The Chairman

2.6 The Board will appoint from among their number a Chairman and three Deputy Chairmen, who will each serve for a four-year term. The term may be renewed for a further term of four years, and in exceptional cases, for a further term of up to two years, subject to Nominations and Governance Committee proposal and Board approval. The total term served shall not exceed 10 years in accordance with the terms of the British Museum Act 1963. At least one Deputy Chairman will be drawn from the current membership of the Standing Committee.

- a) The Chairman is responsible for representing the Board.

- b) The Chairman is responsible for ensuring the integrity and effectiveness of the Board Governance Principles and Process. To that end, the Chairman is responsible for organising an induction and orientation programme for new Trustees, ensuring Trustees are aware of the terms of their appointment to the Board, and to Board Committees.
- c) The Board delegates to the Chairman authority on matters of Governance Process and Board-Director Linkage. In particular, the Chairman is empowered to make any decision, take any action or enter into any obligation within Board policies on Governance Process and Board-Director Linkage. The Chairman may use any reasonable interpretation of the provisions of these policies in making decisions and will brief Trustees promptly and report formally to the next meeting of the Board on any material or sensitive exercise of this authority.
- d) The Chairman will act as facilitator for meetings to ensure that no member dominates discussion, full discussion takes place and that the variety of opinion among Trustees is drawn out. The Chairman will ensure that the outcome of any discussion results in logical and coherent policy pronouncements to guide the Director, against which his/her performance, and that of the Museum, can be monitored.
- e) The Chairman will meet regularly with the Director between Board meetings and will report to the Board as appropriate on such meetings.
- f) Neither the Chairman nor the Deputy Chairmen will be employed in any capacity by the Museum. If any one of them has in the past been employed by the Museum, the others of them will not have been so employed. Likewise no Trustee will be employed by the Museum for any purpose.
- g) At the request of and/or in the absence of the Chairman, a Deputy Chairman will deputise.

Board Committees

- 2.7 The Board will form Board committees only when it is necessary or expedient because of the tasks to be accomplished.
- a) Board committees will observe the same rules of conduct and procedure as the Board, unless the Board otherwise determines.
 - b) Board committees will only speak or act for the Board when they have been so authorised by the Board. The authority given to a Board Committee will not derogate from the authority delegated to the Director.
 - c) Processes to monitor and assess the performance of the Director will be undertaken by the Board as a whole. In doing so it may use the services of independent advisers and consult with the responsible Government Department.
 - d) 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 judgement.
 - e) The permanent committees of the Board are the Standing Committee, the Audit Committee, and the Nominations and Governance Committee.
 - f) The Chairman will determine the composition of the permanent Board committees, taking account of the views and recommendations of the Nominations and Governance Committee and the Chairmen of each committee. Appointments will be confirmed in writing.
 - g) The Chairman, in consultation with the Nominations and Governance Committee and Chairmen of each of the Board Committees, may co-opt independent members to provide specialist skills, knowledge or experience.
 - h) Save for the Chairman, it is not ordinarily expected that any Trustee will serve on more than two permanent committees, nor is it expected that any Trustee will serve for longer than four years on any permanent committee except that the Chairman will serve on the Standing Committee for as long as he/she is Chairman and other Trustees may be invited to extend beyond four years by exception and as agreed by the Chairman.
 - i) The permanent committees of the Board will periodically review the skills required for committee effectiveness.
 - j) The Chairman, any Chairman of a Board Committee or the Director may request the attendance of a particular Trustee for an item of Committee business notwithstanding that this Trustee is not a member of the Committee.

k) Minutes of Committee meetings will be presented to the Board at the earliest opportunity.

The tasks and membership of Board Committees are set out below:

The Standing Committee

Task:

The Standing Committee is constituted to discharge the functions of the Board between quarterly Board meetings. Save as provided below, the Committee will have no power to vary the Strategy or Annual Plan approved by the Board, but otherwise the Committee will have the authority of the Board:

- To review between Board Meetings the financial position of the Museum and all aspects of the Museum's financial planning, including review of financial proposals for inclusion in future Annual Plans;
- To authorise all commitments made by the Museum above £2 million, provided they relate to objectives identified in the Annual Plan;
- To authorise any urgent or unforeseen commitments falling outside the Annual Plan, provided always that where such matters will result in reductions in the reserves of more than £1m they shall promptly be notified to all Trustees, and in any event be reported with justification at the next Board meeting following such approval;
- To authorise variations to the Annual Plan which result in changes to estimated surplus or deficit by more than £1 million and less than £2 million;
- To administer on behalf of the Board the Museum trust funds by appointing necessary advisers, directing the use of available funds and taking other appropriate action; and
- To consider matters referred by the Director to the Committee for its consideration.
- To authorise loans of any object or objects comprised in the Collection where such objects are either: (i) valued in aggregate in excess of £5 million; or (ii) are otherwise considered by the Director to present a reputational risk or to be of a culturally sensitive nature.

Process:

The Chairman and Director will agree an agenda for Committee meetings

The Committee will ordinarily meet six to eight times per year and otherwise as required by the exigencies of the proper administration of the Museum

Composition and Quorum:

- The Committee shall include the Chairman of the Board and up to nine other Trustees.
- The Chairman of the Board will act as Chairman of the Committee.
- A quorum of three members (including two Trustees) must be present in person or by telephone at each meeting.
- The Standing Committee will form sub committees only when it is necessary or expedient because of the tasks to be accomplished.

The Audit Committee

Task:

The Audit Committee is constituted as a permanent committee of the Board of Trustees to support the Board and the Accounting Officer in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness, reliability and integrity of assurances provided to them.

It will review, on behalf of the Board:

- The strategic processes for risk, control and governance and the Statement on Internal Controls;
- The accounting policies, the accounts, and the annual report of the Museum;
- The planned activity and results of both internal and external audit;
- The adequacy of management response to issues identified by audit activity, including external audit's management letter;
- Assurances relating to the corporate governance requirements of the Museum;
- (where appropriate) proposals for tendering for either Internal or External Audit services;
- Anti-fraud policies, the whistle-blowing policy, and arrangements for special investigations;
- Ensuring resources are used efficiently and effectively;
- The periodic review its own effectiveness followed by a report to the Board.

Process:

- The Committee has the authority on behalf of the Board to require the Director to take such measures as it deems fit to ensure the effectiveness of the Museum's systems of internal control and, in particular, to remedy these and any other shortcomings relevant to its tasks, which it identifies in the course of its review process.
- The Committee has the authority on behalf of the Board to require any member of the Museum to either attend an Audit Committee meeting or provide written report(s) to the Committee for the purpose of providing information to assist the Committee in fulfilling its role of providing advice to the Board.

- The Committee may obtain independent professional advice as it thinks necessary to aid it in its responsibilities, subject to budgets agreed by the Board.
- The Audit Committee will usually meet four times a year. The Chairman of the Committee may convene additional meetings as they deem necessary.
- There are mutual rights of free and confidential access between the Chair of the Committee, the Accounting Officer and the Head of Internal Audit. There are also mutual rights of free and confidential access between External Audit and these parties.
- There is an annual bilateral meeting between the Chair of the Audit Committee and each of these parties to ensure a clear understanding of expectations and current issues.
- The Committee will provide an Annual Report to the Board summarising its conclusions from the work that it has done during the year.
- Administrative support for the Committee will be provided by the Head of Finance.

Composition and Quorum:

- The Committee may include up to six Trustees.
- A Trustee with experience of financial matters will serve as Chair of the Committee.
- A quorum of three members (including two Trustees) must be present in person or by telephone at each meeting.
- The Committee should corporately aim to possess knowledge/skills/experience (as appropriate and required) in:
 - accounting
 - risk management, governance and control
 - audit
 - the management of an organisation of equivalent size and profile
 - the wider relevant environment in which the Museum operates
 - the government environment and accountability structure
 - business or commerce
 - safeguarding the Collection
- All members of the Committee should have, or acquire as soon as possible after appointment, an understanding of the government environment and accountability structures and be familiar with the objectives, functions, structure and culture of the Museum. Appropriate induction training will be arranged for new members where required.
- Audit Committee meetings will normally be attended by the Accounting Officer, the Deputy Director, the Director of Administration, the Head of Finance, the Head of Internal Audit and a representative of External Audit;
- The Audit Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.
- The Board or the Accounting Officer may ask the Audit Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

The Nominations and Governance Committee

Task:

The Nominations and Governance Committee is constituted as a permanent committee of the Board of Trustees:

- To recommend candidates for appointment and re-appointment as Trustees.
- To ensure the Board is balanced and diverse in composition.
- To provide advice to the Chairman on membership and skills needs of the permanent Board Committees
- To assess and report no less than annually to the Board on the performance of the Chairman, the Board, the permanent Board Committees and the Director.
- To provide assurance to the Board on the operation of the Governance Policies and Principles.
- To make recommendations regarding changes to the Board Governance Policies and Principles or matters of policy process to improve effectiveness.
- To recommend to the Board any changes or additions to the Limitations (including in consultation with the Standing Committee and Audit Committee the Limitations that relate to financial matters).

Process:

- The Committee will meet at least twice each year and otherwise as required.
- In making recommendations of candidates for appointment to the Board, the Committee will be mindful of the need to ensure a proper balance of professional and financial expertise on the Board as a whole.
- In considering the performance of the Board, Board Committees, the Chairman and each Trustee, the primary measure of the effectiveness is the satisfactory achievement of the Museum's Aim through the Strategy and the targets set in the Annual Plan, as well as the proper functioning of these Governance Policies and Principles.
- The Chairman will withdraw from the meeting during the Committee's discussion of his/her performance and the Deputy Chairman will take the chair.

Composition and Quorum:

- The Committee shall include the Chairman of the Board, a Deputy Chairman and up to six other members.
- The Chairman of the Board or a Deputy Chairman may act as Chairman of the Committee.

- A quorum of three members (including two Trustees) must be present in person or by telephone at each meeting.

The Governance Manager

- 2.8 The Governance Manager will report to the Director for all operating matters other than those matters relating to the Board and the Board Committees.
- 2.9 The Governance Manager will act on the instructions of the Chairman and of the respective Board Committee Chairmen for Board and Board Committee matters.
- 2.10 The Governance Manager owes a duty of confidentiality to the Board and the Board Committees in respect of all private business.
- 2.11 The Governance Manager will ensure the prompt circulation to all Trustees of the agendas, minutes and ancillary reports of all Board meetings and to Committee members for the relevant Committee meetings.
- 2.12 The Governance Manager will provide counsel and administrative support to the Chairman, the Board and the Board Committees and will ensure proper records of their proceedings are kept.
- 2.13 The Governance Manager will facilitate obtaining independent expert advice when required by the Board or a Board Committee. In such cases, the costs will be borne by the Museum. However, the Board will ensure, so far as practicable, that such cost is reasonable.
- 2.14 Documents executed under the Common Seal of the Board will be recorded by the Head of Legal Services and authenticated by the signature of one of the Chairman, Deputy Chairmen, or some other Trustee authorised for the purpose, and in addition by the signature of one of the Director or Deputy Directors or other signatory authorised by the Board for the purpose.

Part III - Board - Director linkage

Delegation

- 1.1 The Board will link the governance and management functions of the Museum through the Director.
- 1.2 All Board authority granted to the management and staff of the Museum is delegated through the Director, so that all authority and accountability is considered to be the authority and accountability of the Director so far as the Board is concerned. The Director is the Museum Accounting Officer for the purposes of reporting to the responsible Government Department.
- 1.3 The Board will agree with the Director to achieve specified results, directed towards the Aim of the Museum. The Board will limit the latitude the Director may exercise in practices, methods, conduct and other means to achieve the Aim of the Museum through the Strategy and the Annual Plan, and through the establishment of Limitations.
- 1.4 The Board authorises the Director to establish any policy or practice direction, make any decision, enter into any obligation, take any action and develop any activity that will achieve the Aim of the Museum through the Strategy and the Annual Plan, provided it falls within a reasonable interpretation of the Limitations and complies with the Board's overriding principles and any other policy adopted by the Board from time to time.
- 1.5 The Board may change the Strategy and the Annual Plan and Limitations, thereby shifting the boundary of authority and accountability between the Board and the Director. But so long as any particular delegation is in place, the Board and each Trustee will respect and support the Director's decisions and judgement. This does not prevent the Board from obtaining information through acceptable monitoring processes within the delegated areas.
- 1.6 In permitting the Director to use any reasonable interpretation of the Strategy, the Annual Plan and Limitations, the Board recognises that the Director is required, in carrying out his responsibilities, to exercise judgement. If the Director takes action beyond the scope of the Limitations, the Board will be informed immediately by written report from the Director with reasons. The Board will take this information into account in assessing the performance of the Director.

Accountability

- 2.1 The Director is accountable to the Board for the achievement of the Strategy and the Annual Plan and the observance of the Limitations.
- 2.2 The Director will report to the Chairman monthly and at each Board meeting and, through presentations, dialogue and systematic review, will advise the Board in a timely manner of all material matters currently or prospectively affecting the Museum and its performance, including any potentially significant development of a strategic, cultural, reputational, or financial nature.

Monitoring

- 3.1 The Board will systematically review monitoring information disclosing the degree of achievement of the Strategy and the Annual Plan and the observance of the Limitations.
- 3.2 A given policy may be monitored in one or more of three ways:
 - a) *Internal report*: Disclosure of compliance information to the Board or Board Committee (as appropriate) from the Director;
 - b) *External report*: Discovery of compliance information by the Public Accounts Committee, relevant Government Department, the NAO or an auditor or inspector selected by and reporting to the Board; or
 - c) *Direct Inspection*: Discovery of compliance information by the Board as a whole, or by a responsible committee or Trustee.
- 3.3 Any policy can be monitored by any method at any time the Board chooses. For regular monitoring, however, the elements of the Museum's Aim, the Strategy and the Annual Plans and the Limitations will be classified by the Board according to frequency and method.
- 3.4 Once each year the Board will carry out a formal evaluation of the Director's performance taking into account this monitoring information. This will form the basis of the Board's recommendations as to the Director's remuneration.

Organisation

- 4.1 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.
- 4.2 The Director will report to the Board on any employment dispute or potential dispute with any senior member of Museum staff and will report on any vacancies arising among the Keepers or other senior officer of the Museum.
- 4.3 The Director will provide assurance to the Board that the rules for recruitment and management of Museum staff provide for appointment and advancement on merit. In particular, the Director shall provide assurance that when making

senior appointments an adequate field of qualified candidates has been considered.

- 4.4 The Director will review the effectiveness of the organisation and its management against relevant benchmarks.

Trustee – Director relationships

- 5.1 Individual Trustees in their relationships with the Director, officers and staff of the Museum should at all times bear in mind the authority delegated to the Director, and particularly that Trustees do not individually carry the authority of the Board, nor may they waive requirements set by the Board.
- 5.2 Trustees may serve at the invitation of the Director on such Advisory Groups² as the Director may in his/her discretion think fit to convene to consider such matters as the Museum site, the Collection, partnerships, commercial ventures or fundraising. Trustees carrying out such activities are free to express their personal views but do not individually carry the authority of the Board, nor may they waive requirements set by the Board.

² Note: It is expected that the Director will notify the Board in advance of the establishment of any Advisory Group.

Part IV - Limitations and Board reserved powers

Limitations

The Director will not cause nor permit any practice, activity or decision that is in violation of the overriding principles set out in Part II or in excess of the authority granted by the Board to the Director in the Board-Director Linkage delegation in Part III or contrary to any other policy established by the Board.

- 1.1 In allocating the capital and resources of the Museum, the Director will not deviate from the Museum's Aim.
- 1.2 In allocating the capital and resources of the Museum, the Director will not deviate from the Strategy and the Annual Plan, save with the prior approval of the Board.
- 1.3 The Director will not do anything that places the Museum in breach of regulations imposed on it as an Executive Non Departmental Public Body.
- 1.4 The Director will not do anything that places the Museum in breach of its duties as an exempt charity.
- 1.5 The Director will not permit any practice, activity or decision that is comprised in the Board Reserved Powers.
- 1.6 The Director will not permit the Museum to operate without an effective system of internal controls.
- 1.7 The Director will not permit any variation to the financial aspects of the Annual Plan that will result in changes to estimated surplus/deficit of more than £1 million without the approval of the Board.
- 1.8 The Director will not authorise acquisitions to the Collection without due regard to provenance, and in any event will confer with the Board on any acquisition valued in excess of £1 million.
- 1.9 The Director will not authorise the loan of any object from the Collection without paying due regard to any risks associated with the loan arrangement including the object's value, rarity, security, insurance, condition, cultural sensitivity and its importance to students and the visiting public of the Museum. The Director will not authorise the loan of any object or objects with a value in aggregate in excess of £5 million, or which is or are otherwise considered to be of a culturally sensitive nature, or to present a reputational risk, without the approval of the Board.

Board reserved powers

The Board reserves to itself certain powers, and the delegation to the Director made in Part III is accordingly limited thereby. These Board Reserved Powers are:

(A) Statutory duties

- 2.1 The Board will establish processes to ensure that, consistent with the Acts:
- a) objects comprised in the Collection of the Museum are kept within the authorised repositories;
 - b) so far as appears to it practicable in its discretion, objects comprised in the Collection are made available for inspection by members of the public;
 - c) the Director has regard to a list of factors when deciding whether to make loans from the Collection including, *inter alia*: the interests of students and other persons visiting the Museum; the condition and the rarity of the object; and any risks involved; and
 - d) objects in the Collection are not disposed of otherwise than in the circumstances prescribed by law whether under the Acts or otherwise.

(B) Other reserved powers

- 2.3 In discharge of its functions under the Acts and the constituent documents of the affiliated organisations referred to below, the Board will as appropriate in each case, consider or formulate recommendations and/or make appointments to the following positions or offices:
- a) Trustee of the British Museum
 - b) Director of the British Museum
 - c) Trustee of the British Museum Development Trust
 - d) Member of the Board of the American Friends of the British Museum
 - e) Member of Council of the Friends of the British Museum
 - f) Director of the British Museum Company Limited
 - g) Any other appointment to a governing body of an organisation connected with the British Museum or any department thereof.
- 2.4 The Board will determine the remuneration of the Director within the scope of any guidance or direction given by HM Treasury and the responsible Government Department.
- 2.5 The Board will approve any major alterations to the Museum site.
- 2.6 The Board will approve all formal partnership arrangements with other cultural and educational organisations.
- 2.7 The Board will decide all other matters outside the ordinary scope of the delegation to the Director set forth in Part III of these Policies and Principles.

Part V - Status

The Governance Policies and Principles in this document have been adopted pursuant to Paragraph 5 of the First Schedule of the British Museum Act 1963 to regulate the proceedings of the Board and facilitate the exercise of its functions. The Governance Policies and Principles in this document supersede all pre-existing governance policies, principles and regulations adopted by the Board.

Adopted by the Board of Trustees of the British Museum 20 November 2008