

BRITISH FILM INSTITUTE BOARD OF GOVERNORS

Minutes of the meeting held on **6^h June 2007** from 10:30am – 17:30pm, in the Hotel Russell, Russell Square London WC1B 5BE

PRESENT: Prof Roger Laughton CBE (Acting Chairman - am), Eric Fellner CBE (Acting Chairman - pm), Caroline Michel, Leslie Hardcastle OBE, Lizzie Francke, Shami Chakrabarti CBE, Peter Watson, Stephen Frears.

IN ATTENDANCE: Amanda Nevill, Richard Brousson (Acting Secretary), Heather Stewart, Jeanette Wilkins, Jill McLaughlin, Nick Mason Pearson.
Eddie Berg and Sandra Hebron attended the PM session only.

APOLOGIES: Anthony Minghella CBE, Tim Angel OBE, Peter Foy, Sam Taylor-Wood, Elan Closs Stephens CBE, John Akomfrah.

1 DECLARATIONS OF INTEREST

1.1. There were no declarations of interests in any matter before the meeting.

2 MINUTES OF LAST MEETING AND (21st March 2007) MATTERS ARISING

2.1 The minutes were approved as an accurate record of the meeting held on 18st April 2007 subject to the following amendment:

2.1.1. The words “Film Sales seeking to outsource” should be added to the list of approved ideas for consultation under phase 1 of the realignment strategy in Clause 5.17.

2.2. It was confirmed that the Board had agreed to the proposals in phases 1 and 2 of the realignment strategy and that anything beyond that had not yet been approved by the Board.

- 2.3. Recently appointed Dambisa Moyo has resigned as a Governor of the BFI due to her job moving to New York. The Nominations and Appointments Committee will reconvene.

3 DIRECTOR'S REPORT

- 3.1. Amanda Nevill presented the paper to the meeting. She reported that the roll-out of phase 1 of the realignment plan was underway. Responses were starting to come in from the consultation.
- 3.2. External partners have been informed and their queries are being dealt with on a daily basis. There is a senior managers meeting scheduled for the 20 June to look at further savings.
- 3.3. The UKFC review of the BFI has been going well with only one meeting left. The presentations from the BFI Executive have been well received and the relationship with the UKFC has been strengthened. The UKFC now understands the BFI's funding issues and the responsibilities of caring for a nationally designated collection.
- 3.4. The Board questioned therefore why the BFI (and the BFI National Archive) was a lower priority in the UKFC's forward revenue funding strategy - notwithstanding the capital grant bid to Treasury which had received support, but with an uncertain outcome.
- 3.5. Amanda Nevill presented a draft of the presentation for the UKFC. The main points were as follows:
- 3.6. The BFI's 3 strategic aims are:
- nurturing the greatest film archive in the world
 - providing access, increasingly digitally, to film and creating contextual knowledge around it
 - providing an international focus for film exhibition through BFI Southbank and the London Film Festival
- 3.8. The BFI costs £34.2million to run and is funded by £16million from Grant-in-aid and £19.1million is generated from a combination of trading income, grants, donations and sponsorship. Hence the BFI generates more than £1 for every £1 it receives.
- 3.9. Based on current income trends there is an operational challenge of £2.9million in the next financial year rising to £4million in the following years.

- 3.10 From the analysis of each of the main activities it is apparent that there is no single main activity which the BFI could cut to make the savings it needs whilst still delivering against the 3 strategic aims of the organisation. Investment is required in all areas.
- 3.11 The Executive had therefore sought a more sophisticated approach for consideration. The proposed economies to consider were presented.
- 3.12 It should also be noted that any redundancy costs would need to be funded either from within year savings, a one-off grant or from elsewhere.
- 3.13 Amanda Nevill asked for guidance from the Governors as to whether the proposed strategy is the right course of action and how to bridge the remaining funding gap. It was understood that this guidance would then inform the senior managers meeting. It was hoped that concrete proposals with impacts would be presented for decision at the Board meeting in September.
- 3.14 The Board made the following points:
- In light of the BFI being both a net contributor to the FIAF agreement providing for the free inter-archive loan of films and subsidising donor access to the tune of £0.25million per annum the Board suggested reviewing these arrangements looking at introducing and raising costs respectively.
 - The Board considered the possibility of raising ticket prices throughout the BFI but acknowledged that the pricing review carried out as a recommendation of the NAO report concluded that apart from Festival Gala ticket prices all BFI ticket prices were in the upper quartile in comparison with similar cultural institutions.
 - Education was central to the BFI's remit so that any savings in that area would have to be considered carefully in line with its lead role in the development of the National Education Strategy. It was acknowledged that the BFI should provide intellectual authority in relation to education and be an advocate of education, whilst considering what the BFI should actually deliver itself.
- 3.15 The Board supported the Executive's attempts to make efficiencies and agreed that whilst limited cuts could be made the UKFC has to take responsibility for properly funding the BFI.
- 3.16 The Board were unanimously supportive of the approach being taken by the Executive and were empathetic with the difficulty

of the task and the effect this has had on BFI staff all of whom have achieved so much over the last year. They noted that even if the Executive achieve all the further potential savings outlined that there was still a gap of over £2 million remaining. The Board agreed that Eric Fellner and Stephen Frears would seek a meeting with the chair of the UKFC in advance of the final review meeting of 15 June.

- 3.17 The Board were acutely concerned about the level of economies proposed and questioned whether the UKFC comprehended the reduction of services and the negative cultural impacts that would occur.

4 ARCHIVE STRATEGY PRESENTATION AND DISCUSSION

- 4.1 Heather Stewart presented the Draft Archive strategy and noted that it would be given to the UKFC senior management team later that week.

- 4.2 The background to the paper was that in late 2003 there was a DCMS select committee on heritage to which the BFI contributed. Out of that the UK Film Heritage Group was formed led by the BFI and comprising UKFC, Screen England, MLA, National Council on Archives, Screen Archive South East and Yorkshire Film Archive.

- 4.3 A paper went to James Purnell, which was well received and included the following vision:

“The Public is entitled to access, learn about and enjoy its rich screen heritage wherever they live and wherever the material is held”

This overturned the notion of the last 20 years of having regional archives throughout the country. The paper also stressed the historic under funding.

- 4.4 The present strategy is set to address this and build the case for additional funding support. The main initiatives are as follows:

- revitalise the regions
- secure the national collection
- develop digital access
- support education and media literacy
- create Screen Heritage Steering Group

- 4.4 A one off cost of £34million (including £25 million for stabilisation of the BFI National Archive) with ongoing costs of £6.02 million per annum thereafter were needed.
- 4.5 The strategy will now be circulated to key stakeholders, with a launch/discussion group on the 13 June at BFI Southbank. A wider consultation will continue until the 7 September. The final document is to support papers already submitted by UKFC and the DCMS into the comprehensive spending review.
- 4.6 The strategy is now urgent. If the necessary monies are not forthcoming for improved storage then there is a likelihood that 30% of the materials in the BFI National Archive will be lost.
- 4.7 The Board gave their support to the National Archive Strategy.

5 BERKHAMSTED – Vault 1 contract and authorisation

- 5.1 Jeanette Wilkins confirmed that the contract for the environmental upgrade of Vault 1 at Berkhamsted to bring it down to 5 degrees centigrade and 35% humidity had been approved by the UKFC and that lease financing was being used.
- 5.2 The Board approved entering into the contract with G.H.Marshall Ltd for said upgrade.

6 GOVERNANCE COMMITTEE REPORTS

- 6.1. The Board noted the paper by Roger Laughton concerning the frequency of Board and sub-committee meetings. The Board generally supported the paper subject to wanting to approve a more detailed schedule of meetings.
- 6.2. The Board noted the Health & Safety Report.
- 6.3. The Board noted the Management Accounts.

7 AOB

- 7.1 The letter from Amicus to the Governors was circulated and the Board agreed that this was a matter for the Executive to respond to and authorised them to do so on the Board's behalf.

Lunch

8 Film Centre Options Appraisal – Open Discussion

- 8.1 Jill Mclaughlin gave a presentation detailing the overall progress of the project including the capital build scale and cost, project timetable, planning and funding.
- 8.2 Eddie Berg gave a presentation on the cultural programme strategy and Sandra Hebron gave a presentation on the programme strategy for all the different programmable spaces.
- 8.3 Heather Stewart spoke about the Knowledge and Creativity component of the Film Centre and the need to re-invent the library.
- 8.4 The Board made the following comments:
- 8.5 Ideally the building should be remarkable and designed in an interesting way to make it changeable and fit for the next decade.
- 8.5 That further work was needed to identify what is critical and vital for inclusion within the Film Centre to inform decisions as to the scale of the project.
- 8.6 The Board discussed the Film Centre concept and agreed that more detail was required.
- 8.7 **Action Point:** Executive to return in September with the following:
- simple pithy concept or statement explaining what the Film Centre is for
 - reworking the different options with less auditoria and more empirical evidence
 - more financial information as to the ongoing costs of running the Film Centre
 - a more detailed programme with details of titles particularly in relation to first runs based on films that would have been screened last year

9 AOB

9.1 None

Meeting closed at 17.30pm. There was subsequently a closed Governors session in relation to Board recruitment.

Next meeting: Wednesday 17th September 2007