

Art Fund_

Annual General Meeting

Held at: 2 Granary Square, King's Cross, London N1C 4BH
On: Monday 17 June 2019 at 5.00 pm
Chairman: Lord Smith of Finsbury

Item 1 Chairman's introduction
Lord Smith of Finsbury

The Chairman introduced himself and welcomed everyone to the AGM. He outlined the format, agenda and timings of the AGM. He noted that there would be plenty of time to discuss the decisions made regarding the local committees, and any other questions that members might have.

Item 2 Trustee matters
Lord Smith of Finsbury

The Chairman then dealt with the re-election of the five Trustees that retired by rotation and offered themselves for re-election: Richard Deacon, Chris Gosden, Antony Griffiths, Marcia Pointon and Lisa Tickner. All were re-elected following a show of hands.

He then introduced a short film that was played to the assembled members.

Item 3 Director's review
Stephen Deuchar

Stephen Deuchar, director, highlighted that these were challenging times for UK museums, especially those outside London and those funded by local authorities who had seen a steep decline in resources over the last decade. Art Fund had therefore continued to listen to museums and act responsibly in the way it had shaped its grant-giving programmes. Art Fund supported collecting activity and other projects in every part of the UK, with 80% of the individual grants awarded to museums outside London.

Art Fund had helped museums build their collections, but had also developed new funding programmes to address the most pressing needs and ambitions of the sector. For example, the wider sharing of the national collections of art amongst museums was supported through the Weston Loan Programme, which provided funding and training solely for regional museums to borrow works from national collections. Meanwhile, Artist Rooms, the touring collection of modern and contemporary art owned by National Galleries of Scotland and Tate and had travelled to over 75 UK venues with Art Fund support.

The development of specialist knowledge and expertise was aided by Jonathan Ruffer Curatorial Grants, which supported research and travel by curators, and the charity had recently launched the Headley Fellowships with Art Fund, a programme for senior curators in museums to carry out research projects that deepen collections knowledge and encourage the sharing of specialist knowledge across the country. Six out of seven of these curators were based in institutions outside London. And finally, the New Collecting Awards, which were designed to help early career curators to develop their skills and pursue new avenues of collecting.

He also outlined that, aside from grant-giving, Art Fund had invested in museums in other ways. The charity had supported them to build their audiences from amongst its membership and beyond, and had promoted them, their collections, their exhibitions, and increasingly, their special programmes and events. Furthermore, the Art Happens and Art Tickets platforms were intended to help museums help themselves. These schemes had been growing fast in strength and potential.

Dr Deuchar highlighted that this work was made possible by the people who bought a National Art Pass, as members, individuals, families, company employees and life members, under 30s, curators, students and more. He also noted the wide range of other supporters, donors, sponsors, trustees, volunteers and patrons. Art Fund membership had increased by 8.5%, and stood at 151,000 members, and in return Art Fund members received free or reduced-price entry to hundreds of UK museums, galleries and historic houses and the public programmes that they offered, plus 50% off major exhibitions, and discounts in hundreds of museum shops and cafes.

Support of the Art Fund's partner venues was achieved through a number of channels including, the Art Guide website and app, a printed annual Art Map, Art Quarterly magazine, regular exhibition guide leaflet, and Art In Your Inbox e-newsletters. In 2018 the new 'Meet me at the Museum' podcast extended this support. Growth in the membership therefore not only helped Art Fund to raise more money for museums, but also to support them in their goal to reach wider audiences.

Dr Deuchar noted that, as a privately funded charity, Art Fund was able to have an independent voice, and could therefore speak out on behalf of museums and audiences, for example over local museum cuts and closures, and protecting collections, curatorial roles and public access. It continued to advocate for adequate funding for the UK's museums and their collections and would maintain this message in its response to the government's next comprehensive spending review. Dr Deuchar reported that having campaigned for nearly twenty years to strengthen the export licensing system which aims to protect works of art of national significance from leaving the UK, the government had opened a formal consultation on the recommendations that Art Fund had made.

Art Fund Museum of the Year continued to champion UK museums and place them on the wider national stage. In 2019 all five finalists, HMS Caroline in Belfast, St Fagans National History Museum in Cardiff, V&A Dundee, Nottingham Contemporary and the Pitt Rivers Museum in Oxford, had shown new ways of working with their communities, opening up their collections to new audiences and challenging traditional ways of interpreting history and culture. The value of this publicity to the shortlisted museums and the sector as a whole had been of benefit in financial terms to them, and also in terms of winning new friends and supporters to Art Fund's national cause.

Meanwhile Art Fund's close relationship with hundreds of UK museums, galleries and historic houses had led to a new initiative, whereby Art Fund members would be able to take part in a wide range of museum-run events across the UK, bringing more members closer to art everywhere. This initiative had grown out of the volunteer-run events programme that began many years ago, which provided a strong foundation for this new type of activity, which would benefit a wide cross-section of the membership and bring direct financial benefit to museums themselves. Dr Deuchar offered his sincere thanks to those who had made all this possible. The online ticketing service that was now offered to museums, Art Tickets, strongly supported this new way of working and had received unanimously positive feedback from the museums that had adopted the platform.

Art Fund supporters were crucial not just for what Art Fund could achieve in museums and galleries but also what museums and galleries could achieve for themselves. With the help of its supporters, Art Fund would continue to support museums as determinedly, rigorously and effectively as possible, ensuring that they could continue to flourish in these tough financial times. Art Fund was grateful to every member of its community for their support, from the 2,258 members who gave regularly on top of their annual subscription, to the volunteers (including the trustees, those that sat on the regional

fundraising committees organising events, and its specialist advisors in many spheres), to the companies who offered the National Art Pass to their staff, to those who remembered Art Fund in their will (in 2018 legacy gifts totalled £3.5 million), to the patrons group - the 178 Art Partners who gave generously to our cause, to the 12 Artist Partners who acted as ambassadors for Art Fund, to all those donors who responded quickly to need, and which led to the establishment of a new fund for museum conservation, and finally to the trusts and foundations which had been so crucial to the development of new initiatives. Dr Deuchar offered his sincere thanks to all.

Finally, he thanked the museums themselves, and introduced a short film that featured a selection of museum directors and curators explaining how Art Fund support had benefitted their institutions.

Item 4 **Programmes review**
 Sarah Philp

Sarah Philp, Director of Programmes and Policy, introduced herself and the Art Fund grant-giving programme. She outlined that acquisitions grants remained at the core of the programme, and Art Fund provided between £4 and £5 million each year to help museums and galleries to buy works of art. In addition, Art Fund supported museums to build their collections through strategic collecting schemes, such as the Moving Image Fund, commissions and, most recently, through grants for conservation, which would help museums to bring work they already had out onto display. Finally, Art Fund continued to provide a long-standing and vital service to support donors and collectors to place gifts and bequests of work of art into museums across the UK.

Through this combined effort, more than 400 objects and works of art joined the collections of 78 museums and galleries in 2018. 80% of the grants awarded went to museums outside London.

Ms Philp gave details of notable highlights from the 'building collections' strand of the programme which included:

- the National Gallery's acquisition of the self-portrait by the Italian baroque artist Artemisia Gentileschi, which was the Gallery's first acquisition of a work by a woman in 30 years. The £250,000 grant also went towards conservation, which enabled the work to tour to five venues across the UK, from the Glasgow Women's Library to a GP practice in Yorkshire.
- a number of Surrealist works by Salvador Dali which entered the collections at the V&A and Scottish National Gallery of Modern Art. All three works were placed under temporary export stop as works of art of national significance.
- An Anglo-Saxon pendant that was acquired by Norwich Castle Museum and Art Gallery and was voted the Nation's favourite Art Funded work of 2018.

Ms Philp went on to describe how Art Fund also 'reached audiences' by funding exhibitions and tours in every region in the UK. In 2018, the Weston Loan Programme provided funding and training for museums to borrow works from national collections so that they could be shared more widely, and the programme had provided £400,000 to 26 museums and galleries across the UK, outside of London. One funded exhibition at Rugby Art Gallery and Museum, which included self-portraits from the National Portrait Gallery, had seen an increased visitor footfall of 70% over previous shows.

In 2018, the Weston Loan Programme provided funding for thirteen museums to borrow significant works from national collections and this included loans from Tate to Ceredigion Museum, from the British Museum to Wakefield Museum, and from the National Gallery to MK Gallery in Milton Keynes.

Ms Philp also introduced the 'People's Landscape' programme from National Trust, which would see artists, including Jarvis Cocker and Bob and Roberta Smith, producing new work inspired by politics and activism in locations across the UK.

Finally, Art Fund had continued to support the organisations and artists that represented Great Britain at the Venice Biennale. In 2019, work by Charlotte Prodger who had represented Scotland, and Sean Edwards who represented Wales, would come back to the UK and tour in rural Scotland, Wales and the North-West respectively.

Art Fund recognised that none of this work would take place without the people that cared for the collections in the first place. From research and consultation, it was found that three quarters of curators said that they were able to spend less than 15% of their time on research into collections, and that specialist skills and knowledge were most at risk in the long term. Art Fund had therefore provided funding to ensure that curators could further their professional development, share their experience and expertise internationally as well as nationally, and do more for their audiences. This had been achieved through a number of new and existing programmes.

Since its inception in 2012, the Jonathan Ruffer grants programme had offered small grants of, on average, £1,000 for research and travel for curators, and these small amounts had laid strong foundations for exhibitions and new displays, and for acquisitions. To date, the programme had supported 300 curators in this way.

Art Fund had also launched the Headley Fellowships, which provided opportunities for curators to pursue in-depth research relating to their collections over a concentrated period. For example, one Headley fellow, Adam Smith, curator of Natural Sciences at Nottingham Natural History Museum, had focussed on the museum's extensive and nationally significant collection of pressed plants, seeds, fungi and lichen. Six of seven Headley fellows were senior curators who were based in institutions outside of London.

Finally, Art Fund had invested £1.3 million in the New Collecting Awards programme since it began in 2015. This programme aimed to identify the curatorial leaders of tomorrow who had identified a gap in their collection, and to help them to reinvigorate their collection and make it more relevant for current and future audiences. Projects supported through the programme ranged from post-Soviet numismatic material to modest textiles to works of art by black artists.

Ms Philp concluded by highlighting that Art Fund's support for curators was as much for the benefit of the individuals as for the collection they worked with.

Item 5 Presentation of the accounts for the year 2018
Mr Jeremy Palmer

Jeremy Palmer, Treasurer, noted that in 2018 Art Fund had seen continued growth in the sales of the National Art Pass and strong legacy donations, which meant an overall growth in its income. There were, however, fewer applications for larger grants for works of art which meant that charitable expenditure was slightly reduced, but in 2019 demand had increased and it was expected that charitable expenditure would rise in the current year. Art Fund also made significant investments in both systems and personnel to support the strategy of increasing income and expanding the charitable programme in the future. The balance sheet remained strong, with sufficient free reserves to support working capital requirements and also to guard against any changes in the external environment. There was a fall in the investment portfolio, but the long-term growth prospects remained unchanged, and in 2019 a decent recovery of the value of the investments had already been seen.

Mr Palmer laid the accounts before the membership and confirmed that the accounts had been audited by BDO LLP and approved by the trustees at the May board meeting.

Mr Palmer highlighted that in 2018 the total income reached £14.8 million, which was £1.1 million higher than 2017, but that the proportional splits were largely the same as 2017. With regard to

income over the last five years, variations in the annual totals were largely due to volatility in respect of legacies and special appeals income. In 2018, as in 2017, Art Fund was not required to run a special appeal.

Art Fund was enormously grateful to all of its donors, but it was particularly noteworthy to look at legacy donors, who contributed a total of £3.5 million in 2018, which was up £700,000 from the previous year. Trading, investment and other income was largely in line with the five-year average.

Mr Palmer noted that the underlying income, which was defined as membership subscriptions and donated income, showed a marginal increase. Donations and fundraised income had remained at £2.9 million in 2018.

As far as the National Art Pass was concerned, investment had continued to deliver a steadily increasing contribution to the charitable programme. In 2018, Art Fund exceeded 150,000 members which generated nearly £7.8 million in income, a £400,000 increase on the previous year. Over the last two years, membership income had contributed over half of Art Fund's total income.

Mr Palmer then focussed on operational efficiency. With regard to cost control, Art Fund worked hard to ensure that the cost of administering the charity remained proportionate to the scale and sophistication of the activity it undertook. The administrative support costs were paid for independently of donated funds, or membership income, and were sustained by the income and capital growth generated by the portfolio of investments. The principle, therefore, was that the maximum proportion of donated funds could be applied efficiently to charitable activity.

As was budgeted for this year, Art Fund operating costs rose £300,000 in total to £1.5 million, which was due to investment during the year in infrastructure and staffing, particularly around IT, to support future growth, and security. It was expected that these costs would fall as a proportion of charitable expenditure in 2019, as they reduced and grant giving increased.

Mr Palmer then discussed Art Fund's impact. Charitable activity had increased in absolute terms over the last five years, so although overall charitable activity decreased in 2018, this was because fewer applications were received for larger grants for works of art. Despite that, the financial value of these charitable activities had grown steadily in absolute financial terms and significantly ahead of inflation since 2014. It was obvious that, given an annual accounting period, looking at a single year did not convey the long-term trend.

The composition of the programme had diversified as Art Fund continued to listen to museums and galleries, and flex its support to ensure it delivered impact where it was needed most. Although there were fewer applications for major grants than usual in 2018, all the signs for the current year suggested that demand would increase. To support this, Art Fund would carefully invest the funds needed to generate year on year growth going forward, so that it could continue to provide a growing level of support.

With regard to long term efficiency, Mr Palmer noted that sustainability was critical, and reserves were managed carefully to reflect this. In 2018 total funds decreased, from £54.5m to £53m and this largely reflected market movements. This was notwithstanding the fact that an operating surplus of £300,000 was made, which was reflected before the application of the total return investment policy. The adoption of this policy allowed Art Fund to treat a portion of long-term investment gains as income, which was then available to spend on core administrative support costs.

Mr Palmer confirmed that Art Fund had had several detailed discussions with external investment advisors about the markets and the gathering uncertainty and nervousness, and thus it adopted a more defensive stance in the portfolio than in previous years by exiting some of the more active equity

funds and investing a more balanced portfolio. During that downturn, losses were moderated compared to how they would have been with the previously more volatile mix of funds. Over a five-year period, there was an average gain in the investments of 6.2% per annum. Two benchmarks were applied. The first was to benchmark the charity's investment performance against inflation, so it took the Consumer Price Index plus 4% as a benchmark. This averaged 5.5% over the five-year period, 0.7% lower than Art Fund's returns. The second benchmark, which looked at equivalent funds and their returns showed 5.7% over this period.

Art Fund's investment objectives remained focussed on the long-term, and although the markets had picked up in 2019 and a surplus from the first few months of the year was currently expected, the charity would be appropriately cautious when considering its long-term sustainability. Therefore, after accounting for investment losses during the year, Art Fund finished the year with total funds of almost £53 million, including free reserves of £6.7 million, which should shield the charity against any unexpected downturns and position it well for the future.

Item 6 Questions
 Lord Smith of Finsbury

The Chairman thanked Mr Palmer for his presentation and began the questions and answers session by addressing some of the queries submitted in advance.

The first was from a member concerned that curatorial posts were at risk. The member wanted to know what Art Fund was doing to support the vitality of the sector. The Chairman responded by noting that these concerns were shared by the charity, and was a reason why it campaigned to ensure that the importance of the posts was more widely recognised, and had commissioned research to support this. In addition, the charitable programme had developed to support curatorial expertise and to make collections work harder through loans, redisplay, exhibitions, research, conservation and tours.

The Chairman advised the members present that a resolution had been submitted that related to the closure of the local and regional committees and requested that this decision was rescinded and the networks re-established. The Chairman confirmed that, according to the Royal Charter and bye-laws, as the resolution was not submitted seven days before the Board meeting it was not possible to add the resolution to the agenda.

The Chairman noted, however, that the subject of the resolution was of concern to many of the members present and he therefore outlined why the decision had been taken. He confirmed that the trustees took the decision very seriously. They were particularly mindful of the Art Fund's objectives, as outlined in the charter, and of their responsibilities as trustees as demanded by the Charity Commission. He noted that the first three of the thirteen objects included in the Charter were what Art Fund was best known for. These were: to secure by purchase, gift exchange bequest or otherwise, works of art and objects of national and historical importance for presentation or loan to public art collections; to collect subscriptions, donations, gifts and other assistance with a view to carrying on or promoting the objects of the fund and to expend any of the monies of the fund for such purposes and to make and give grants, gifts or other assistance out of such manners; and to promote, maintain or make grants in aid of and to cooperate with others in opening and maintaining public or private exhibitions of works of art and objects of national and historical importance. None of the thirteen objects referred to events or activities or the provision of benefits for members.

Following a question from the floor regarding the provision for fundraising, the Chairman confirmed that the objects refer to collecting subscriptions, donations, gifts and other assistance, but they did not refer to the provision of benefits for members.

He went on to say that the duty of the seventeen trustees, themselves all volunteers, were as determined by law to ensure the charity carried out its purposes for the public benefit, to comply with the charity's governing document and the law, to act in the charity's best interests, to manage the charity's resources responsibly, to act with reasonable care and skill, and to ensure that the charity was accountable. So, it was with the charity's objects, and their duties as trustees in mind, that the board considered the work of the regional and local committees last year. There were three areas of considerable concern for the trustees whereby they felt that continuing to maintain the committees ran contrary to the best interests of the charity.

Firstly, there were legal and regulatory considerations. While some committees had adopted the policy and guidance set out by the Art Fund in relation to member data, many others have found it difficult and had made mistakes. This had resulted in an increasing number of member complaints, and the trustees recognised that Art Fund was exposed to levels of risk with respect to volunteer handling of member data.

Secondly, there were financial considerations. The committees existed to raise funds to support our work with museums and, as with any income-generating activity, Art Fund needed to consider whether the amount expended in fundraising was justified by the return. Art Fund provided an extensive infrastructure in support of the committees which ranged from the publication of events brochures mailed to members, financial administration, training and online support. These costs, calculated to be at least £250,000 a year, were not netted off against the income reported in the statutory accounts, which in 2018 was £361,000. However, after full costs were taken into account, it was calculated that the committees contributed around £100,000 per annum towards charitable expenditure of £12.9 million. The trustees took the decision that the £250,000 spent in supporting the committees could be invested instead in ways that would maximise return through other forms of fundraising or direct support for museums.

Thirdly, there were considerations over impact and reach. There was demand from both museums and from the wider membership for a different sort of events provision. Nationally, around 5% of Art Fund members attended committee events but the charity was aware that many more would like to engage with events and activities connected with museums. Museums reported considerable challenges in promoting their own events effectively to audiences, lacking the budget, capacity and data to be able to target those most interested in their events. Art Fund could both engage more members in events and support museums more directly through a different approach.

In addition, the volunteer committees were formally part of the Art Fund, as set out in terms of reference which volunteers had signed. Therefore, liability lay with the trustees of Art Fund, and so volunteer activities had to comply with all the same regulations that were required of the Art Fund itself. The volunteer network had been established to help recruit new members in a pre-digital age. Since the launch of the National Art Pass, membership had doubled through investment in modern, professional campaigns, and almost all members now joined online.

The Chairman concluded by saying that this was a governance decision, and a decision that the trustees rigorously took in the best interests of the charity. They judged it a necessary step in enabling the charity to meet its objects effectively, to use its resources efficiently, and to eliminate unreasonable risk in relation to complying with regulation. Consultation was undertaken on future plans with volunteers, members and museums.

The same member who wished to propose a resolution also indicated that he would like to put the issue to a poll of the membership. The Chairman made it clear that a poll could not overturn the decision of the trustees. He did however want to make it clear that Art Fund stood ready to assist anyone who wished to set up their own, independent entity in order to continue events and activity

programmes. Members felt that Art Fund needed to improve the quality of support given in this area, and Art Fund staff undertook to resolve this issue.

The Chairman presented another question submitted in advance. The member wished to know more about Art Fund's plans to support museum events in the future, and what would replace the current events programme.

Stephen Deuchar confirmed that Art Fund intended to approach the provision of events at three levels. Firstly, towards the end of 2019, members would be given information about museum events taking place across the country via Art Fund's various digital channels and the events leaflet accompanying Art Quarterly magazine. Due to modern technology, members would be put directly in touch with the events in taking place in their local region, which would be a considerable undertaking for Art Fund but would also be a significant benefit to the members.

Secondly, museums were already taking part in a series of workshops, in which they could work with Art Fund to exploit the opportunities and potential of museum led events, and share the professional expertise and experience gained by Art Fund staff in this area with smaller museums.

Thirdly, Art Fund was considering supporting particular events programmes in certain museums, such as the highly successful programme of talks that Art Fund supported across the country linked to RA250. This built on the Art Talks programme, initiated by Art Fund, which enabled an event involving a contemporary artist to take place in a museum that had recently acquired a work by that artist.

The Chairman then read out a question from another member which asked, if the member approached the Art Fund today with the unconditional offer of an immediate donation from an impeccable source of £350,000 or even £100,000 with the expectation of repeating it every year, ad infinitum, would Art Fund accept or reject the donation.

Mr Palmer responded by saying that the trustees would do their due diligence to make sure that the donation was indeed from an impeccable source and therefore would be reputationally acceptable. Then, if the donation was made by an entirely independent source, Art Fund would consider the donation as it would any other. However, if the question was in fact about the funds raised by the regional committees, it was important to remember that the regional committees were part of the Art Fund and therefore not independent, and liability and costs then lay instead with the Fund itself and with the trustees. Mr Palmer reiterated that the decision to close the committees was taken very seriously by the trustees, and the question of the long-term strategy, and the sustainability of the Art Fund, and its ability to pursue its objects was always at the front of trustee minds.

In response the same member asked for clarification over some figures, specifically the accounts of 2015/16, in which he understood the gross revenue from the committees came to £809,000, and that there were costs of £453,000, which left a net of £350,000 a year. Furthermore, the member noted that Art Fund would prefer to use the £250,000 used to support the regional committees to promote museum activities, but queried why this had to come at the expense of losing £100,000 generated by the regional committees.

Jeremy Palmer replied by outlining that there were direct costs and indirect costs. The £453,000 mentioned related to the costs the volunteer committees incurred in running their events. There was a further £250,000 of direct and indirect costs incurred by Art Fund for the support provided to the committee network. The equation used when considering the impact of the activity took in to account whether Art Fund's investment could have greater impact if invested in other ways. But it had to be remembered that this was a decision based also on the management of risk, which was particularly important at a time when personal data could be obtained and used for corrupt purposes if not

adequately protected. The decision was taken to protect the interests of the charity and its members. This overall picture was what the trustees had discussed at length.

In response to a member query about risk, Mr Palmer confirmed that the trustees believed that the long-term sustainability of Art Fund, and its beneficiaries, were better served by this decision.

The Chairman presented another question asked in advance. The member asked whether members in London received greater benefits than those in the rest of the UK. The Chairman referred the member to the impact of Art Fund in the regions and countries of the UK, and plans to promote museum events, as previously described and outlined by the Director. The Chairman added that Art Fund was very aware of the different experiences of communities in rural and urban locations. He highlighted Art Fund's track record of supporting and developing initiatives that benefitted museum visitors across the country, as evidenced by its support for Artist Rooms which had toured to 75 venues including Orkney.

The Chairman raised a final question submitted in advance, and confirmed that any questions submitted that had not been covered would receive a written response. The member queried Art Fund's investment strategy given that ten years ago it had earned dividends of over £1 million but last year received £218,000 on £47 million, which was only 0.5%.

Mr Palmer clarified that, because of the total return policy, which looks at the total of both dividends and unrealised capital growth, looking at dividends on its own was misleading. Art Fund was indifferent as to whether the income was realised or unrealised in the year. The average total returns over the past 5 years had been described as part of the earlier financial review.

The Chairman opened up for questions from the floor.

A member noted the closure of the regional committees with dismay, and queried the figures used to calculate the impact of the regional committees and the impression this gave.

The Chairman clarified that the figures included in the accounts were the gross figures, so everything that was contributed by people attending events and taking part in the programmes, but the committees themselves had costs associated with these activities. £350,000 was the net figure that was passed by the committees to the Art Fund centrally. The £250,000 figure was the cost of the Art Fund's own head office expenditure, two members of staff, the production of brochures, mailings out, the maintenance of online communication, etc, and this produced the net figure of £100,000.

The Chairman wished, however, to add that Art Fund did very much appreciate the history of commitment and engagement of the members of the local and regional committees. A real platform had been created for Art Fund to build on for the future of new ways of engaging members in museums and galleries and events and activities, and that platform was put in place by the members of the committees. Art Fund was hugely grateful for the work which had been done to achieve this. The Chairman added that the decision wasn't taken in a light or happy way by the trustees but was taken in the fundamental interests of the long-term future of the charity, and the need to serve the primary purpose of the Art Fund to support museums and galleries. As mentioned previously, Art Fund now stood ready to help the committees set up independently and would work hard to improve the assistance offered to people.

A member stated that although she was sympathetic to the frustrations and disappointment experienced by some committee members, Art Fund was subject to the law, as was every other organisation in Britain, and if it was not compliant with the General Data Protection Regulation (GDPR) then it could be sued.

A member confirmed her strong support for Art Fund but queried what some volunteers considered to be a heavy-handed approach that Art Fund took to the implementing the GDPR legislation. She additionally queried the gift of Chairman's Honorary Membership to all serving volunteer committee members in recognition for their support over the years, and the centralisation of promotional activities which were previously carried out by the committees directly.

The Chairman replied that the reason that Art Fund had had to centralise some activity, such as carrying out mailings on behalf of the committees, was precisely because of Data Protection legislation. For example, there had been several instances within the last two years where committees forgot to 'blind copy' email addresses and member data was therefore shared with the other recipients. The Chairman additionally confirmed that when a newsletter intended for one committee was instead shared with another, this was not a breach of GDPR as no personal data had been included.

Furthermore, Data Protection legislation and Art Fund's need to abide by the law was one amongst a number of reasons why trustees felt they needed to take this decision. He understood that this had caused disappointment and upset, but was now keen to ensure that Art Fund had a vibrant way of encouraging new programmes and activity with museums and galleries that involved more of its members than the current programmes and events were able to do. Also, Art Fund would try its very best to assist those local groups who wanted to continue to operate independently.

A member queried whether the 151,000 membership figure quoted in the annual report included the 25,000 Student Art Passes mentioned. The Chairman confirmed that they were.

A member questioned whether museums would make good use of funds given to them directly by members for events and activities that took place at their sites, and particularly wanted to make sure that Art Fund continued to help museums and galleries to save works of art for the nation.

The Chairman said that if members paid to go to an activity or an event at a museum the funds would go directly to the museum, which was understandable when museums were operating under huge financial pressures. There could well, however, be events or activities that would be put on that Art Fund members would not have to pay for. He also confirmed that Art Fund still vigorously welcomed applications for national significant works of art and would continue to do so.

Item 7 AOB
 Lord Smith of Finsbury

As there was no time for further questions, and there was no other business, the Chairman thanked the members for attending and closed the meeting but added that all questions submitted in advance that were not covered in the meeting would receive a written response.