



Burlington House Webinar

An update on the Burlington House situation

Thursday 19 May 2022 - 09:30-10:30



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Burlington House Webinar

Welcome & Introduction

Dr Mike Daly
President



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Burlington House Webinar – The Panel

Dr Mike Daly	President
Ruth Allington	President Designate
Dr Keith Myers	Treasurer
David Shilston	Chair, BH Relocation Options Project
Vernon Hunte	Associate Director (Public Affairs), April Six
Dr Richard Hughes	Executive Secretary
Alex McPherson	Director of Finance and Operations
Maggie Simmons	Director of Publishing
Dr Megan O'Donnell	Head of Policy and Communications

Agenda

- Welcome and introduction
- Context: the Society's general financial position
- Political and public engagement campaign summary
- Relocation Project report summary
- Communications with the landlord
- Q&A



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Financial context

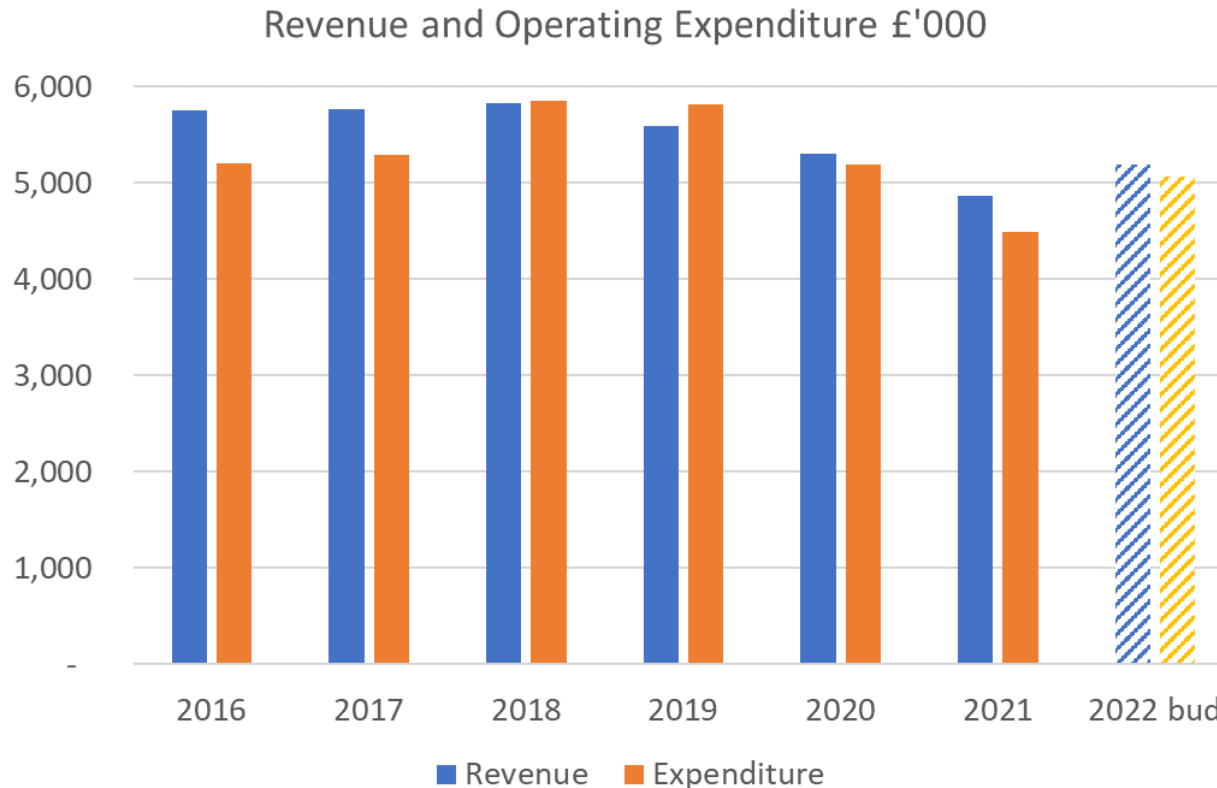
Dr Keith Myers
Treasurer



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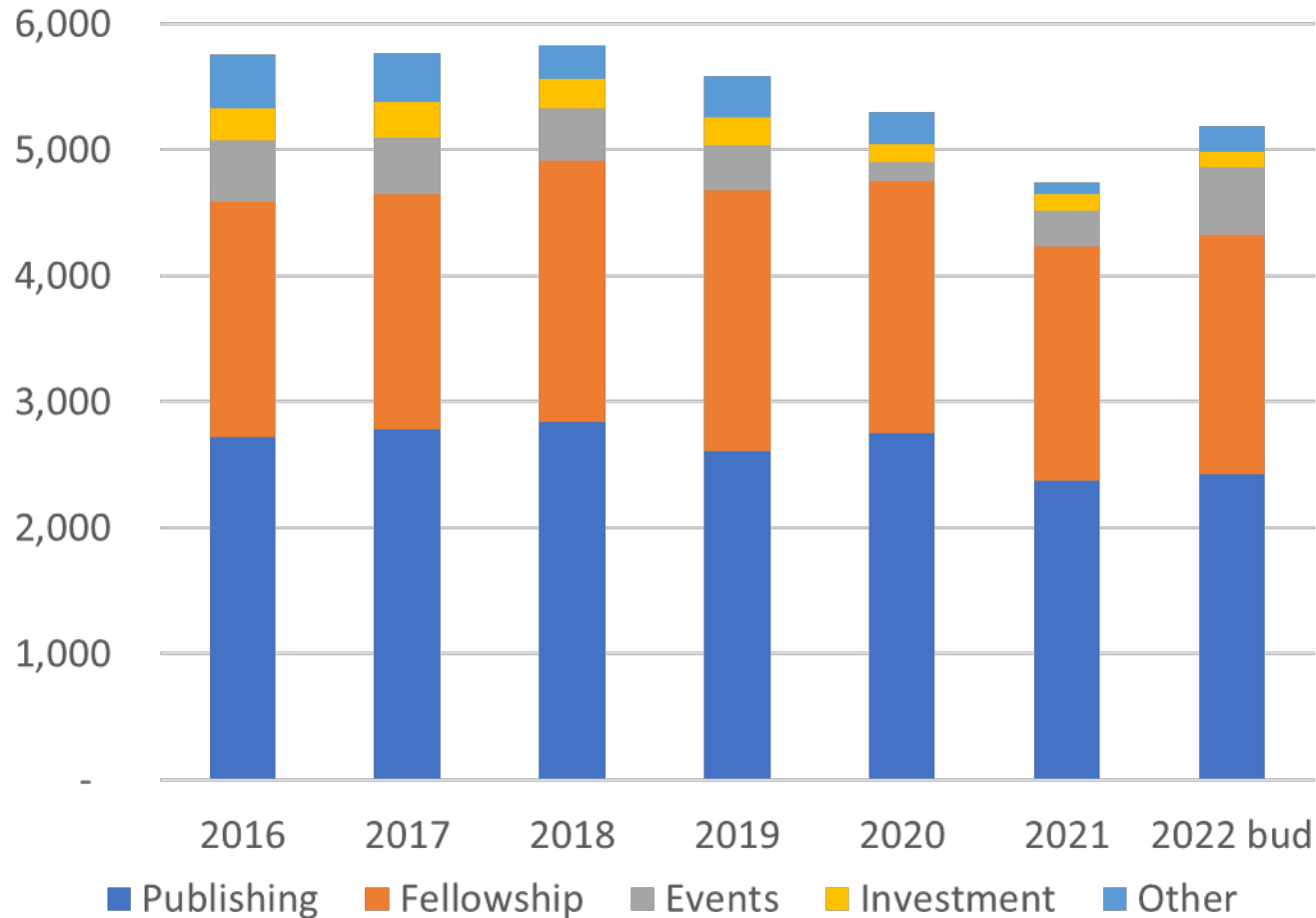
2016-2021 financial history



- Slow Revenue Growth 2016-2018
- £1.1 million decrease in revenue since peak in 2018
- £1.2 million decrease in operating expenditure
- Operating surplus in 5 of last 6 years – average £250k/year
- Capital spend averaged £388k/year means net draw on cash

Revenue Trends

Revenue by Source £'000



2016 to 2021

- Publishing - £346k
- Fellowship - £14k
- Events - £197k
- Investment Income - £130k

2018 to 2021







- Publishing - £469k
- Fellowship - £211k
- Events - £133k
- Investment Income - £101k

5 Year financial summary

Society income and expenditure have declined but financial assets have grown

- Annual Revenue **fell** by £1.1 million (17%) to £4.7 million since peak in 2018
 - 43% due to publishing and 19% due to fellowship
- Annual Operating Expenditure **fell** £1.2 million (21%) to £4.6 million since 2018. £670k of capital spending means an overall draw on cash of ~£0.6 million in last 3 years
- Investment portfolio growth means financial assets **increased** since 2018 by £1.4 million to £11.3 million at end 2021 (£1.7 million since start 2016)

5 year revenue outlook

	2021	2022	2026	21 v '26 delta	Trend	Comment
Membership	1,858	1,872	1,915	57		Gradual (1-2%) headcount decline countered by CPI rate increase
Publishing	2,432	2,439	1,941	-491		Trending down driven by OA, some mitigation achieved by ebook revenue
CPD	59	144	252	193		Assumes 15% YOY growth. Will need marketing
Events	239	402	205	-34		Assumes exit from BH, eliminating room hire. Decline in EG revenue
Investment	127	125	125	-2		Assumes static with focus on growth rather than yield
Other	102	198	191	89		Increase in donations countering reduction in patrons(CRM)
	4,817	5,178	4,630			

Financial Context Summary

- Society income is forecast to continue to decline slowly over the next five years primarily due to structural changes in the publishing industry
- The Society remains financially robust with considerable financial reserves that can be deployed – unrestricted free reserves were £7.0 million at end 2021
- Burlington House is absorbing an ever growing proportion of the Society's income and the current estimated 10-year cost to the Society of staying at BH would be ~£7.8 million.



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Political and public engagement campaign

Vernon Hunte, April Six



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Relocation Project Group Phase 1 Report

Presentation to Council
by David Shilston
2 February 2022

Slightly abridged for a Fellows' webinar on 19 May 2022



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Burlington House Relocation Project
Report of the Phase 1 Working Group on needs and options
26 January 2022

The covering paper for Council's 2 February 2022 meeting said:

“The report of the Phase 1 working group provides options for relocation and a recommendation that could be implemented in due course when the Society makes a final decision regarding its long-term future at Burlington House.”

The Working Group: members – ten Fellows

David Shilston	Chair of the Working Group – Former trustee, past Prof. Secretary, past President of GS, industry
Dr Richard Hughes	Executive Secretary and former trustee
Dr Keith Myers	Treasurer, industry Former trustee and past Vice President, industry Former trustee, past Science Secretary, academe Fellow, academe Former trustee, past Treasurer, industry Former trustee, past External Relations Secretary, industry/academe Former trustee, academe Former trustee, past Professional Secretary, government
Chrissy Marron	Secretary to the Working Group

Terms of Reference (summary)

- Define the needs for the GS's Headquarters to:
 - articulate and deliver the 2020 Strategic Priorities
 - provide flexible, long-term accommodation for the Society
- Provide a clear statement of requirements for essential functions.
- Develop and identify two or three locational and building options to fulfil those needs.
- Assess the likely cost and considerations associated with both rent and purchase options.
- Finance & Planning Committee will assume responsibility for assessing financing possibilities, timeline, affordability.

Terms of Reference - options

“Develop and Identify 2-3 locational and building options to fulfil those needs that offers:

- i. A significant residence time (>50 yrs)*
- ii. A sustainable cost.*
- iii. Reflects the Fellowship’s geographic distribution, and recognising the Society employs c. 20 staff located in Bath*
- iv. Maintains a strong international profile*
- v. Creates an accessible and friendly environment for staff, Fellowship and general public*
- vi. Hybrid working facilities for up to c. 20 staff with additional meeting facilities etc. to be defined.”*

The Working Group: method of working - inputs

- Terms of Reference
- The GS's strategic priorities for a timeframe that is greater than 50 years.
- Current use of the GS's premises in Burlington House.
- Geographical and demographic distribution of the GS's Fellowship.
- Other similar organisations - their use of premises and their experience of moving and/or adapting premises.
- Heritage architect's report on Burlington House (David Kohn Architects)
- London property information (Altus Group)

The Working Group: method of working - outputs

- Guiding principles.
- Three relocation options (A, B and C).
- Statement of requirements for relocation from or within Burlington House.
- Analysis of costs.
- Conclusions.
- Recommendations.
- Reports for GS Council's 30 June 2021 and 2 February 2022 meetings.

Guiding Principles – summary (1)

- The GS's premises should include public-facing spaces and administrative office(s) suitable for a timeframe of not less than fifty years and would comprise:
 - (i) public-facing premises in London that are smaller than the GS's current premises at Burlington House
 - (ii) a high-quality facility for the long-term archival storage of a substantial proportion of the library's collections.
- The GS's public-facing premises need to be welcoming and accessible.
- COVID-19 has accelerated the move towards remote working and towards virtual and/or hybrid meetings.

Guiding Principles – summary (2)

- An increased provision of online access to up-to-date science and a much greater use of off-site archival storage would be helpful in creating efficiencies of space.
- Meeting spaces in public-facing and office premises need to be flexible and accessible, have up-to-date information technology and be a welcoming 'venue'.
- A move from Burlington House could be seen as an opportunity to establish a new identity and relevance for the GS.
- Relocation within Burlington House will to a large extent be defined by the characteristics of Burlington House itself, with unavoidable compromises.

The GS's current premises at Burlington House and the Phase 1 report's three options

Current premises at Burlington House:

c. 13,800 sq ft of which c. 47% is the Library (including the Lower Library, storage, etc.)

Option A:

Reconfigure and reduce GS's Burlington House premises to c. 5,600 sq ft.

Option B:

Relocation to premises of c. 5,600 sq ft.

Option C:

Relocation to premises of c. 2,500 sq ft.

Statement of Requirements: Options A and B

c. 5,600 sq ft statement of requirements		
Function	Area (approx. sq ft)	Area (approx. %)
Staff (excluding Library staff and other facilities)	1,900	34
Meeting spaces	900	16
Library	1,850	33
Additional spaces (corridor space, excluding toilets)	950	17
Grand total	5,600	100

Statement of Requirements: Option C

c. 2,500 sq ft statement of requirements		
Function	Area (approx. sq ft) (% reduction cf Option B)	Area (approx. %)
Staff (excluding Library staff and other facilities)	1,400 (-30%)	56
Meeting spaces	700 (-22%)	28
Library	0	0
Additional spaces (corridor space, excluding toilets)	400 (-57%)	16
Grand total	2,500	100

Conclusions – from the report's Summary (1)

- Remaining at Burlington House under the *status quo* will incur very significant costs that are difficult to justify and are unsustainable.
- The relocation of the GS's main premises away from Burlington House is an opportunity to establish a new identity and relevance that would better enable the GS to articulate and deliver its strategic priorities and charitable objectives.
- A location for the GS's main premises in central London would be the most accessible and convenient for most Fellows, the staff, and the public.
- A London location will not be perfect for all Fellows, but is less imperfect than other locations.

Conclusions – from the report's Summary (2)

Option A - reconfiguring the GS's premises at Burlington House:

The most expensive and the most difficult to deliver of the options considered.

Option B, relocation to premises of c. 5,600 sq ft:

Would give the GS the most flexibility and would provide the opportunity to create a welcoming and attractive place centred around GS's 2020 Strategic Priorities.

Option C, relocation to premises of c. 2,500 sq ft:

The minimum viable option. It would not be consistent with the GS's aims of developing a public-facing premises and welcoming environment for Fellows and visitors.

Conclusions – from the report's Summary (3)

- The absence of a large lecture theatre would create opportunities to develop links and collaborations with venues throughout the UK and mitigate perceptions of London-centricity.
- A substantial proportion of the library's collections should be housed off-site. This conclusion accords with the recommendations of the 2020 library review.
- Option B (a footprint of c. 5,000 to 5,600 sq ft with long-term sustainability of occupation) translates into a location beyond the most prestigious, central parts of London. Such premises are available, but an exhaustive search may take some time.

Recommendations – from the report's Summary

1. The Working Group recommends Option B (moving to premises of c. 5,600 sq ft in central London) as the optimal long-term solution for the future premises of the GS.
2. To underpin a decision as to whether to rent or purchase premises away from Burlington House, the Finance and Planning Committee should revisit the existing long-term financial models of the GS's finances.
3. A fully exhaustive property search must be carried out if the GS decides to relocate from Burlington House.
4. A specialist project management company should be used to manage any relocation from Burlington House.

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Communications with the landlord

Richard Hughes
Executive Secretary



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Q&A with panel



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