

In confidence

BCB (08) 3rd meeting

Tuesday 20 May 2008

## **DRAFT MINUTES**

### **Present**

Neil Kinnock (Chair)  
Nihal Arthanayake  
Zeinab Badawi  
Alan Buckle (items 5-12 except 11.2)  
Charles Grant  
Claire Ighodaro  
Steve Jones  
Jude Kelly  
Gerard Lemos  
Tim O'Shea  
Elan Closs Stephens (except item 6)

### **In attendance**

Martin Davidson, Chief Executive  
Mark Robson, Director Operations  
Bidesh Sarkar, Director Resources  
Cathy Stephens, Director Innovation  
John Worne, Director Strategy and External Relations  
Rebecca Walton, Acting Director Arts (item 5)  
Anne Wozencraft, Director Human Resources (item 6)  
Mike Hardy, Director Intercultural Dialogue (item 7)  
Andrew Fotheringham, Acting Head Corporate Affairs (item 11)  
Julia Race, Secretary

## **1. Apologies for absence**

All trustees were present.

## **2. Adoption of agenda and minutes of the Board meeting of April 2008**

Delegation by the Board for the Chair and CEO to sign the accounts would be brought forward. The NAO value for money item would be taken before the annual report. (These minutes record the items in the original agenda order.)

The minutes were approved.

Bidesh Sarkar would discuss the transfer pricing policy issue with Claire Ighodaro.

Bidesh reported on the governance of the Business Systems Transformation Programme. A single programme board was being created with a number of groups, including a go-live assessment group to examine the preparedness of Council offices for FABS implementation and a customer group. With effect from the next quarter, the Board of trustees would receive regular reports on the programme.

### **3. Chair's business**

The Chair announced that he would be proposing the re-election of Alan Buckle as a trustee and Chair of the Audit Committee at the next meeting. Both as a trustee and as Chair of the Audit committee Alan brought a particular rigour and clarity of thinking. His experience of business and organisations had been invaluable in moving the organisation in a new direction.

Over 140 applications had been received in response to the open recruitment exercise. Quality had also been high. 12-14 candidates were still under consideration. Interviews would take place in early June with successful candidates to be elected at the July Board.

The Radio 4 broadcast "Inside the British Council" had given a positive image. CDs of the broadcast were available from the Secretary.

### **4. Chief Executive's report**

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Trustees asked about contacts with opposition parties. The Chief Executive reported a recent visit to the British Council by David Cameron as well as contacts with the shadow Foreign Affairs, Culture Media and Sport and Innovation and Universities teams. There was also productive contact with the Liberal Democrats. The Council would be represented at all three party conferences. Contacts with members of the select committees on culture media and sport would be useful. The Board asked to be kept updated with these political contacts.

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Trustees made a number of suggestions which would be reviewed by the committee.

A document on British Council plans for future work in Zimbabwe had been prepared and was available to trustees.

### **5. Review of Arts**

The Board discussed the relationship between the work in the arts and the new vision and purpose. Some trustees perceived a dilemma between the extent to which the British Council was a channel for creativity for its own sake, or a filter for creative production in pursuit of cultural relations and hence contributing to the unique and distinctive purpose of the organisation. There was general agreement however that there was no dichotomy between artistic excellence and cultural relations. Collaboration with the National Theatre of Scotland production of Black Watch was an example; the performance project characterised by creativity overseas, Power in the Voice, was another. Other cultural production might benefit from brokering by the British Council, Tim Supple's Midsummer Night's Dream, for example.

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The Board also discussed whether content needed to be cutting edge or could encompass more traditional art forms. The Board endorsed the Chair's view that the business of the British Council is cultural relations, in which the established and innovative performing and presentational arts are a crucial catalysing component.

Energy now needed to be focussed on arts content, and the re-building of teams and the right external partnerships to make it happen. The Board was aware of the effect internally of the action taken to address the perceived atrophy. The distinctive contribution of the British Council in the arts

derived from world-class content. The issue of internal expertise more widely than the arts was mentioned: the Council also needed world expertise in the international dimensions of education, science, language, the arts and culture. Trustees also agreed that work was urgently needed to demonstrate excellence and expertise through the website, which was currently unacceptable.

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Trustees agreed that the issue should return to the Board in September with stronger analysis of arts content to meet cultural relations objectives, through a short-term study by an external consultant. In addition, trustees would be given examples of on-going arts work, large-scale work in planning and examples of types of work we will no longer do. The paper would also report on steps being taken to re-establish arts expertise/credibility in high priority regions (including India, China and Southern Africa).

Martin was keen to work with Elan, Jude and Nihal over the next few months. They would also be asked to advise on the response to the consultation.

## **6. 2008 Staff Survey**

The Board noted the findings, including perceptions of management and the view among staff that action taken in response to previous staff surveys was limited. The responsibility to address the results lay with the executive.

## **7. Intercultural Dialogue**

The Board confirmed the central importance of this area of work for the mission of the organisation. It needed to be integrated across programmes. The examples of activity given in the paper were welcome but there needed to be a rationalisation of 180 initiatives.

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A media strategy needed to be developed: Zeinab offered to help with this. A summary on one side of A4 would also be valuable.

For the work to be successful, there needed to be a fit between British Council staff and participants, in terms of profile and skills, including age and language competency.

## **8. Presentation: Performance for the financial year 2007/08**

The Board welcomed the presentation. The overall picture was fairly positive.

The Board noted that income from teaching had exceeded £100m for the first time. Exams was likely to overtake teaching in terms of income by the end of the current financial year. There was considerable competition in exams and a substantial challenge to the Council in ensuring continued relationships with exams candidates.

There was a correction to the paper: there had been direct engagement with 15.6 million rather than 17.3m; this represented a fall from 16.5m in 2006/07. The grant income figures also needed checking.

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The apparent low rate of email responses needed checking. Satisfaction ratings would benefit from disaggregation between paid services and those free at point of delivery. The Board warned against false precision around statistically insignificant shifts.

## **9. Annual assessment of risks facing the British Council**

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Work was underway to reinforce fraud management procedures. Country Directors were required to operate the financial systems available.

## **10. NAO Value for Money Audit**

The study had been the most extensive for 17 years, with NAO visits to eight countries.

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Relations with the NAO had been good throughout the study and the British Council had no fundamental concerns about the recommendations.

## **11. Annual report and accounts:**

- **Compare overall impressions on draft report**

An early draft of the main elements of the Annual Report had been sent round with the request that comments or observations be sent to the Secretary. The text was still subject to thorough checking. The design concept for this year's Annual Report was displayed at the meeting.

While the current format was known and understood by the main audiences, it was agreed that the current arrangement by region needed to be strengthened by a presentation of how the programme areas contributed towards the British Council purpose. This was noted and would be covered in the introduction by the CEO.

- **Delegation of authority to Chair and CEO to sign annual accounts**

The Audit committee would examine the accounts in detail on 20 June and make a recommendation on signature.

The Board delegated authority to the Chair and CEO to sign the annual accounts.

## **12. Any other business**

There was no other business.

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\* Enquiries regarding the redacted information contained within this document should be directed to the Freedom of Information Officer, British Council, 10 Spring Gardens, London SW1A 2BN ([FOI@britishcouncil.org](mailto:FOI@britishcouncil.org)).