

In confidence

BCB(17)2nd meeting

Tuesday 21 March 2017

MINUTES

Present

Christopher Rodrigues Chair
Janet Beer
Deborah Bronnert
Gareth Bullock
James Cronin
Rohan Gunatillake
Oliver Laird
Kirsty Lang
Ros Marshall
Usha Prashar
Alan Shannon
Tom Thomson
David Verey

In attendance

Ciarán Devane, Chief Executive
Nigel Arthur, Interim Chief Financial Officer
Jo Beall, Director Education & Society
Hilary Cross, Director Strategy & Engagement
Kate Ewart-Biggs, Director Global Network
Adrian Greer, Chief Operating Officer
Andrew Horton, Director Digital, Partnerships & Innovation
Helen Murley, Director HR
Mark Robson, Director English
Graham Sheffield, Director Arts
Alison Coutts, Secretary

Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it contains "personal data" as defined in Section 40(2) (Personal Information) of the Freedom of Information Act 2000.*

Independent Board Effectiveness Reviewer (observer)
Nigel Bunclark, Interim Director Global Estates (item 6)
John Yates, Head of Planning & Performance (item 7)

1. Apologies for absence & declarations of interest

Martin Roth had sent apologies for his absence.

There were no declarations of interest.

2. Minutes of the Board meeting of 14th February 2017 and matters arising

All matters arising from the meeting had been actioned or were scheduled for a future meeting.

The Minutes were approved.

3. Chief Executive's Report

Ciarán updated trustees on the Empowerment Fund. Our bids are being ranked with others and three of ours have been put through to business case. We will have these ready by 21st May.

He reminded the Board that we still have a gap on funding for non-ODA activity beyond 2020. We are exploring ways of addressing this including through discussions with government. He noted that the Executive Board had had a session on cutting costs the previous week, checking progress on various areas and scrutinising plans for further savings. This is a process that will continue.

He also referred to the opening event of the EU-UK Culture and Education Series on 15-16 February in Berlin. 100 delegates from 20 countries met to identify the most significant issues facing their sectors following the EU referendum, and key messages and recommendations for policy-makers.

4. Chief Operating Officer's report

Adrian reminded the trustees that at the previous meeting they had asked for a standard quarterly dashboard to enable them to review progress on the main priorities. He talked trustees through a first draft of this which the team has been developing. Once it has been agreed by the board it will form the main part of a more concise Chief Operating Officer's report. Trustees were pleased with the approach. They requested various changes in order to make it more focussed on the level of information the Board needs to see in order to hold the Executive to account. It was agreed that the new-style report will come to the Board quarterly from the summer.

Adrian also brought trustees' attention to a fraud that had been discovered in a test centre in the Middle East. He assured the Board that a full investigation is taking place and actions being taken to put in place changes to mitigate the risk and learn lessons.

5. Chief Financial Officer's report

Nigel took the Board through the 2017/18 operating plan which has been updated since the February meeting. He also updated the Board on the projects in place to reduce cost and improve effectiveness.

He noted that as there is still risk around delivery of targets, the timescale and the costs associated with delivering them, a provision of £10.7m has been included in the plan even though the aim will be to bring the deficit down to zero. Trustees observed that this will need tight management and potentially further, more difficult action and should come to the Board for scrutiny again in approx. 3 months' time. In the meantime, it was agreed that the year-end position, balance sheet and reserves policy would go to the next Audit & Finance Committee meeting for review before the replan comes back to the full Board.

6. HQ2020 premises move

The Chair welcomed Nigel Bunclark, Interim Director Global Estates, to the meeting.

Ciarán and Nigel gave an update on progress which is on track. The Board agreed that if Board approval is required for an Agreement to Lease between Board meetings, then in order not to slow things down it delegated authority to the Audit & Finance Committee and Chair to approve and sign on their behalf.

7. Corporate Plan final draft

The Chair welcomed John Yates, Head of Planning and Performance, to the meeting.

John reminded Trustees that the final draft of the Corporate Plan includes amendments following comments at the last Board meeting. A copy has also been sent in parallel to the Foreign and Commonwealth Office. Trustees asked for some minor adjustments on wording to increase clarity. However, although they asked to see the final version with these marked up for information, they confirmed their approval of the Corporate Plan. They also noted that it reads well and congratulated John and team on their excellent work.

8. Report from Nominations Committee

Christopher updated the Trustees on the shortlisting meeting of 10th March at which the Nominations Committee shortlisted 10 candidates for interview. He confirmed that the interviews will take place at the end of March.

9. Report from Contracts Committee

Christopher updated the Board on the meeting of 2nd March. It had gone well. He reminded the Board that it oversees three main deliverables which are:

1. deliver the Education & Society change programme
2. increase surplus
3. build an integrated business model.

The Committee meeting had reviewed work on the above over the year and lessons learned. They also reviewed the contract for an extension of the Newton Fund until 2020. The Committee had agreed to recommend it for Board approval and a summary of this had been tabled for the Board. Jo Beall also talked trustees through it. The Board approved it.

10. Report from Audit & Finance Committee

David Verey updated the Board on the meeting of 28th February. He noted that there had been discussions on compliance, on Internal Audit's plans and progress, on the reserves policy, financial transparency and the code of conduct. On compliance, the Committee had stressed the need to improve processes on procurement and reconciliations further, as these are the areas where issues come up most frequently. It was agreed that there is a strong link to the financial transparency work which refers to the compliance gaps and is putting in controls. It was also noted that management should consider an appropriate process to ensure staff confirm in writing that they have read and complied with the Code of Conduct.

11. Report from Risk Committee

Tom Thomson updated the Board on the meeting of 28th February. He noted that the Committee had reviewed the top 10 strategic risks of the organisation and statement of risk appetite. Management will now review and refine these and bring to the Board in July. They also looked at exams competition, risk in Sub Saharan Africa and security through the lens of the Middle East and North Africa region. Tom encouraged another trustee to visit the latter region to see the rules based approach they have adopted there. The Chair agreed to do this.

Tom also noted that the ICO will not exact a fine from the British Council following the MyWordBook data loss.

Tom asked for another trustee to join the Committee. It was agreed that James Cronin would join and David also asked him to attend the Audit & Finance Committee. Christopher will attend both of these Committee meetings from time to time but as an observer. The Risk Committee will still review the option of bringing in an external independent member.

12. Chair's notes

The Chair noted that this was Alan Shannon's last meeting at the Board as a co-opted Trustee though he would continue to chair the Northern Ireland Country Committee. Trustees thanked him for his excellent contribution and support on the Board. Alan also noted his thanks.

The Chair gave an update on various meetings including one with Matt Hancock who had been very helpful.

He also fed back views and lessons learned on his visit to South Korea which had been very productive and given him some real insights.

Usha referred to the launch of the UK-India year of culture. This had huge publicity in India. There was also a soft launch in India which Usha attended with a range of events which have already helped in terms of profile and impact on our relationship with India.

Ros mentioned that she had visited the Dubai office where there is also a 'season'.

13. Any other business

There was no other business and the meeting ended at 13.00.

Summary of action points arising

Updated from previous meetings

16(04)6	Include a review of diversity targets and progress on the Board's agenda	2017
16(04)12	Include a review of child protection on the Board's annual agenda	2017
16(05)5	Include in-depth sessions on people issues on the Board's 2017 annual agenda	2017
16(05)7	Strategy for the UK, partnerships strategy and follow up on stakeholders and communications to each come to the Board in 2017	2017
16(05)8	Send China strategy to Trustees by email	2017
17(01)9	Proposal on refresh of subcommittees	2017

Current meeting

17(02)4	Revamp COO report to focus on non-financial KPIs plus governance issues	Quarterly from July 2017
17(02)5	Operating plan to be reviewed by Board	June/July 2017