

In confidence

BCB(18)2nd meeting

Tuesday 27 March 2018

MINUTES

Present

Christopher Rodrigues	Chair
Janet Beer	
Deborah Bronnert	
James Cronin	
Yasmin Diamond	
Rohan Gunatillake	
Kevin Havelock	
Oliver Laird	
Kirsty Lang	
Usha Prashar	
Willy Roe	
Tom Thomson	
David Verey	

In attendance

Ciarán Devane, Chief Executive
Adrian Greer, Chief Operating Officer
Nigel Arthur, Interim Chief Financial Officer
Kate Ewart-Biggs, Director Network
John Yates, Head Strategy, Planning and Insight (item 6)
Paul Fairclough, Head Corporate Planning (item 6)
Andrew Horton, Director Digital, Partnerships and Innovation (item 7)
Ian Goodwin, Head Information Governance by Skype (item 7)
Jo Beall, Director Education & Society (item 8)
Alison Coutts, Secretary

1. Apologies for absence & declarations of interest

Gareth Bullock and Ros Marshall had sent apologies for their absence.

There were no declarations of interest.

The Chair noted that Geraldine Fay, Head of Governance, had joined the meeting as an observer.

2. Minutes of the Board meeting of 13th February and matters arising

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

The minutes were approved.

3. CEO report

The CEO noted that the situation in Russia and its implications for the British Council is still on-going and that he'd keep the Trustees informed.

He also updated Trustees on funding and the additional £33m non-ODA funding from the FCO for which Trustees noted their appreciation.

He reported on his visit to Libya and Tunisia, referring to the work that the staff continue to do in the former in spite of difficult circumstances and to a strong EU funded programme in the latter.

4. Organisational report (finance)

Nigel gave an update on the likely end of year position. He noted that the recent revaluation of Sterling is now forecast to cause a significant foreign exchange charge at the year. The exact charge will be determined by the net assets and exchange rates at 31 March 2018.

Otherwise it looks as though we should come in to plan. He observed that exams is performing well though teaching is performing less well and that some work has been contracted to advise our thinking in the latter area. He also informed Trustees that with Regional and Corporate Finance Directors reporting directly to him, he is in close contact to hold them to account for performing against plan.

5. Corporate Plan

The Chair welcomed John Yates and Paul Fairclough to the meeting.

The COO introduced the session. He noted that as £33m additional non-ODA has been agreed since the last Board meeting the plan has been updated. The COO and John Yates then took the Trustees through the marked-up changes in the version presented, whilst the CFO talked through the impact of the additional £33m on the accounts. Trustees agreed the changes in principle and that a group of Trustees including the Chairs of the sub-committees would work with the Executive to finalise. However, they noted that anything significant should come back to the full Board for approval.

6. GDPR

The Chair welcomed Andrew Horton and Ian Goodwin to the meeting.

Andrew summarised the approach, the challenges, the workstreams which have been put in place and their status/readiness.

Ian brought the Trustees' attention to the RAG status on various elements which is improving through increased engagement with staff. He noted the critical date of 25th May when GDPR comes into effect and assured Trustees that we will meet the basic requirements by that date. He referred to ongoing engagement with managers beyond this date to embed the changes and professionalise the management of data.

Trustees thanked Andrew and colleagues for the presentation and work that has been done and stressed the need to bring regular updates on compliance to the Risk Committee and Board.

7. Research

The Chair welcomed Jo Beall to the meeting.

Jo gave an update on what has been happening on research since December 2016 when the Board last reviewed. She talked through the strategy, which is focussed on working with partners on studies to demonstrate the impact of cultural relations for the benefit of the UK and the countries in which we work. She stressed the importance of external thinking to challenge and complement our own and shared a range of research and its findings with Trustees.

Jo also noted that in addition to using the data to inform our work going forward, the research provides us and UK partners an evidence base which of is considerable value for contributing to and influencing debates and policy discussions on cultural relations issues in the UK and overseas.

Trustees thanked Jo for the presentation and the excellent work that has been done in this area under her leadership.

8. Reports from Committees

Business Change

The Chair reported back on the meeting of 27 February. He noted that this was the first meeting and that the Committee had reviewed the Terms of Reference and proposed agendas. The Committee had looked at the processes for managing change and the number of programmes to be completed this year. They'd agreed the importance of providing a global framework for the organisation to work within whilst allowing some flexibility to respond to external changes and innovate. They'd also discussed the role of technology and people as both are vital to the success of the change programmes.

Audit & Finance Committee

David Verey reported back on the meeting of 6th March. He noted that the Committee had looked at progress on completing the annual accounts which looked to be on track for sign off on 3rd July. They'd observed that more and more accounts production work is moving to the Shared Service Centre to bring efficiencies and better service. They'd also reviewed Internal Audit's plan which includes work on risk management, information governance, procurement and global estates.

The COO noted that a fraud that had been previously reported to the full Board has since been fully investigated and the loss will reported to the Charity Committee. He also reported on the controls and reporting that have been tightened up since.

Risk Committee

Tom Thomson reported back on the meeting of 6th March. He noted that the meeting had covered a review of cyber-security and improvements required, as well as two data losses. The Committee had agreed that in future the Risk Committee will be informed of data losses before regulators are contacted. The Committee had also had an update on child protection and reported cases and noted that the latter are reported to the Charity Commission after each Risk Committee meeting. They also discussed the Gender pay gap report.

Tom noted that the Committee had agreed to appoint an independent member to the Committee and recommended Fiona Salzen, who is already an independent member on the Audit & Finance Committee. The Board approved the appointment.

Contracts Committee

The Chair reported back on the meeting of 14th March. He noted that the Committee had reviewed Education and Society's global business plan and performance is looking better than expected. It has also looked at the project pipeline which is reasonably healthy. They'd also looked at proposed changes to the approach to indemnities for approval by the board.

Remuneration Committee

Usha Prashar had to leave the meeting so the Chair reported back on the meeting of 15th March on her behalf. He noted that the Committee had discussed the ongoing changes at Executive and senior management level, the Gender pay gap report and also reviewed remuneration packages at the senior levels.

9. Gender pay gap report

Trustees reviewed the report which had been redesigned taking into accounts the changes requested by the Remuneration Committee. They noted the legal requirement to publish it by 30th March. They approved the report.

10. Contractual indemnity risk

The CFO explained the proposed changes to the approach in order to improve the efficiency of the process for seeking approvals, whilst strengthening the management of contractual indemnity risk within the organisation. The Chair noted that this had been discussed at the Contract Committee. The Board approved proposed changes to the Delegated Authorities.

The Board also approved the signing of the re-submitted Tunisia English Language Support Programme Contract and the project will commence on 1st April 2018.

11. Report from Tailored Review group

The Chair reported back on the meeting of the group on 15th March.

He referred to an updated protocol on the process for recruiting all external independent members to the sub-committees going forward which had been tabled. Trustees approved the protocol.

He also noted that the review team is still to be put in place and engagement on the Terms of Reference will begin soon. Once the review has started, the FCO has agreed to a full induction day in order to properly brief them.

12. Chair's business

The Chair updated the Board on his and Kevin Havelock's visit to China which they'd found extremely stimulating and useful.

13. Any other business

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

14. Safeguarding

Gary Elliott, Director HR; Hester Shaw, Head of Risk; Siobhan King, Head of Child Protection; and Fiona Bartels-Ellis, Head of Diversity joined this extraordinary meeting on safeguarding. The CEO explained that this followed on from a workshop with the Management Board and a meeting with the Risk Committee to discuss the issues.

Following summaries from the of our policies and the governance we have in place for the various elements of safeguarding, the Trustees explored and discussed some of the processes, reporting mechanisms and data management to understand in depth the safeguards in place and plans to fill gaps.

They thanked the team for good work done so far, particularly on child protection, and felt reassured that the plans for improvement in various areas are being actively managed.

Summary of action points arising

Updated from previous meetings

17(07)7	Updated IELTS partnership to come to Board for approval	2018
17(07)7	Recommendations on opportunities, funding and contract options for further British Council schools to come to the Board for review and approval	2018
17(07)8	Partnerships due diligence policy and process to go to Risk Committee for review	2018
17(07)8	Novel partnership arrangements to be taken to Risk Committee for review before committing	2018
17(07)13	Business change committee Terms and membership to come to Board for approval	Feb 2018

Current meeting

18(01)04	<ul style="list-style-type: none">- The Corporate Plan should be written assuming no more non-ODA funding from government- Consultation with senior stakeholders should go ahead.	Mar 2018
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