



After an introduction to the agenda and required outcomes for the day, the Chairman asked Trustees to share news on visits, events etc. which they'd done for the British Council since the last meeting.

Several Trustees had made visits to country operations since the last meeting, during which they'd spoken at or chaired conferences, engaged with staff and Ambassadors, and met a range of contacts through meetings and/or receptions. All confirmed that they had reported back to the executive.

The Chairman reminded the Board that she'd sent a 'My First 100 Days..' message to all staff which she'd also copied to Trustees. There had been extremely positive feedback including comments that it was good to have direct engagement from the Board.

She also updated Trustees on her meetings with government and other key contacts. The Chairman also exhorted Trustees to read the 'week in pictures', as she'd mentioned at the last meeting, as it is a great reminder of what the British Council does and achieves externally.

## **2. Examinations strategy**

Mark Robson, Catherine Ward and Mark Walker joined the meeting.

David Verey declared a conflict of interest as he is associated with a firm advising the British Council. It was agreed by the Board that he could stay for this item, as the board would not be asked for a decision at this meeting.

The CEO reminded the Board of the aims of the strategy and the options the executive has been considering to de-risk our examinations work and sustain our impact going forward.

Mark Robson gave more detail on each of the options and progress made, plus on-going challenges.

The Board agreed that work by the executive has come a long way but there is still more to do including on:

- the structure of partnership arrangements
- the transition process, implementation risks and mitigations
- implications for people.

They also asked for a one-page summary describing the key data to be shared on each country.

The Board expressed a concern that this is absorbing considerable energy and resource so a decision needs to be made on the way forward as soon as possible. After some consideration they agreed that work should continue for the moment and tie down the models and implications for the various options. This should come back to the Board for a decision in February.

## **3. Strategy 25**

Christopher Wade joined the meeting.

Christopher gave a short presentation on changes to the Strategy since the Board Away Day.

These included:

- Separating out the vision and purpose
- Moving to 3 pillars rather than 4, with society now aligned with youth and skills
- Highlighting the core offers within each pillar. He noted that the next iteration will link outcomes to the core offers.

Kate talked through the priority countries and the criteria behind the list. She noted that the Network Team is reviewing again and will bring an update to the Board.

The Board appreciated the progress and gave the following steers:

- The vision should be tighter as still too general
- A focus on the 4 nations of the UK should be one of the cross-cutting themes
- Digital should also be a cross-cutting theme
- Specify what aspects of education technology the British Council would be involved in and to what purpose and benefit. It could draw on significant investment so would need to be clear where this would come from
- Responding to the climate agenda is important in terms of how the organisation conducts itself and its work more sustainably, but need to be careful to adhere to our license to operate
- Keep checking back to our global mission at all times
- Be clear on income streams for the core offers
- Specify what is new, what there will be more and less of, and what will stop, and where. This relates to a concern expressed on capacity to deliver.

It was agreed that a next iteration, which includes addressing the above, should come to the February Board of Trustees meeting.

## **4. Management Reports**

### **4.1 CEO**

Ciaran referred to the delegation of 20 UK Vice Chancellors who had visited Russia for a forum with the Russian Rector's Union. This was significant in terms of starting to open up relationships in the higher education sector at a sensitive time.

He had also had a useful meeting with DFID which involved senior officials on both sides, including their Permanent Secretary. They discussed joint programmes in the areas of education and inclusive societies which will continue to be explored. This could be a model for how we work with other government departments.

He mentioned the Cultural Relations Research Alliance which was a meeting the British Council convened with 30 leading cultural relations researchers and practitioners from all over the world. They discussed global challenges, how research can inform policy and practice, and ongoing cooperation.

Ciaran also updated Trustees on the situation in Iran and the organisation's support for the member of staff who has been imprisoned. Kate Ewart-Bigg mentioned that the risk for other Iranian staff working for the British Council across the world has been raised, and that the team is in touch with them.

### **4.2 COO**

Andy noted that the COO report he had highlighted what is going well, what the SLT is focussing on and what they are concerned about. It includes impact statements to bring it alive, and has an annex with data.

He asked Trustees if the format and level of detail was useful and for any comments and questions on the content.

Trustees observed that net promotion and staff engagement scores had gone down and that some of the diversity figures are still problematic. Andy noted that the SLT is focussing on these and considering a range of measures to engage with staff more meaningfully and to increase diversity, particularly at the more senior levels.

Trustees also expressed a concern about having a stronger compliance culture and asked about holding staff to account at every level, and how this is being strengthened. It was noted that the Quarterly Business Reviews and performance management is a big part of this but that more work needs to be done.

They asked for a front page to be included in future which summarises where we are falling behind and what we are doing to address. The report should also include what actions are being taken to ensure we meet targets, or suggest changes to targets with reasons.

The Trustees thanked Andy for a very useful report, noting that it was helpful to have this degree of transparency and good to have the appendices.

#### **4.3 CFO**

The CFO talked the trustees through the management accounts to 30<sup>th</sup> September and the quarter two forecast. He noted that there has been a net movement on reserves ahead of the Quarter 1 forecast by £12 million though this is largely related to timing.

There is considerable uncertainty on the impact of exchange rates, but otherwise, although there are ups and downs in different parts of the business areas, performance is overall on track.

Trustees were content with performance against plan.

### **5. Corporate and governance**

#### **5.1 Audit & Finance Committee Report and revised Terms of Reference**

Mark Beddy reported back on the meeting of 19<sup>th</sup> November noting in particular that the external auditors had presented their plans and the Committee had approved their fee. He also noted that the NAO had asked for stronger paper trails recording decisions on addressing audit recommendations and that management will report back to the Committee on how they will document these going forward.

He brought Trustees' attention to amendments in the Terms of Reference.

Trustees approved the revised Terms of Reference.

#### **5.2 Stratford move sub-tenancy and fit out**

The CFO referred to the paper and asked for Trustees' approval for:

- The proposed Heads of Terms for the Agreement for Lease for the sub-tenancy of the 2<sup>nd</sup> floor building of the Stratford premises with the Secretary of State for Communities and Local government.
- Delegated authority to the CEO to sign the Agreement for Lease and subsequent lease for sub-tenancy of the 2<sup>nd</sup> floor of the Stratford premises with the Secretary of State for Communities and Local Government.
- Delegated authority to the CEO in consultation with the Audit & Finance Committee and Chairman, to award a construction contract for the main fit-out works of the building.

Trustees approved.

#### **5.3 Risk Committee Report and revised Terms of Reference**

Rachel reported back on the meeting of 12<sup>th</sup> November.

She noted in particular that the Committee had focussed on cyber-security. This is a major concern as whilst the organisation has grown, technology has not kept up. There is a lot of work required to address this and it will come back to the Committee in June.

It had also updated the Committee's Terms of Reference as described in the pack and she asked for Trustees' approval.

Trustees approved.

#### **5.4 Statement of Risk Appetite**

Rachel noted that the Risk Committee had reviewed drafting changes to the statement of risk appetite and principle risks and asked for Trustees' approval.

Trustees approved.

#### **5.5 Report from Nominations Committee and changes to sub-committees**

The Chairman reported back on the meeting of 26<sup>th</sup> September which had reviewed subcommittees and membership and trustee succession, and had shortlisted for a new trustee.

They had proposed the following changes to subcommittees for Trustee approval:

- The Business Change Committee to be formally closed, and the CEO to write to the independent members thanking them for their contributions and apologising for standing them down.
- An independent member to be recruited to join the Audit & Finance Committee after which Rachel can stand down.
- Debbie Forster to join the Risk Committee.
- Stephen Deuchar to join the Remuneration Committee at which point Kirsty will stand down.

Trustees approved.

On reviewing Trustee succession, the Chairman had expressed concern at the lack of ethnic minority representation on the Board and stressed the need to access and mobilise diverse networks when we advertise for new trustees going forward.

She noted that the Committee will set out timelines for recruiting replacements for Kirsty Lang and David Verey when they step down next year, and keep the Board engaged.

The Chairman then updated the trustees on the shortlisting of 4 candidates to replace Janet Beer when she steps down next year. She noted that interviews would take place directly after the Board meeting and a recommendation would come to the Board for approval.

#### **5.6 Revised delegated authorities**

The CFO summarised the proposals for amendments to the matters reserved to the board of Trustees and delegations to the Chief Executive.

Trustees asked for further consideration be given to whether the delegations were appropriate as some issues coming for Trustee approval seemed too executive.

It was agreed that Mark Beddy, the CFO and the Chief Executive would review and then circulate a final version to the board for approval.

#### **5.7 Charitable Trusts delegation**

The Board approved the following:

- The removal of the restriction on spending the capital of the Sir Shiu Kin Tang Educational Trust, subject to FCO approval and confirmation that all obligations to the family have been fulfilled.
- Following the completion of the activities funded in the current academic year, and having exhausted the funds of the trust, the formal closure and de-registration of the Lefevre Trust.

## **6. Any other business**

It was agreed that messages to all staff should be forwarded to the Board for information.

There was no other business and the meeting ended at 12.45.

There followed an in camera session with Trustees only.

## Summary of action tracking

Meeting date	Action	Owner	Due date (note reasons for changes)	Status:
May 19	Share a tracking document on progress on Tailored Review recommendations	Andy W/Christopher Wade	This will come to the Board quarterly until complete.  Complete by March 2020	Open but on track
May 19	Session on strategic partnerships including how the organisation approaches and manages them, and scale of ambition	Andrew H	<del>October 2019</del>  Agreed both partnerships and fundraising strategies to be delayed until the first half of 2020.  Fundraising to come to the Feb Board.	Open
Oct 19	Exams Strategy: further options to be provided to the Board to consider and agree way forward.  <i>Done on 12<sup>th</sup> December</i>	Ciaran/Mark R	December 2019	Closed
Oct 19	Review Board meeting agendas for 2020 with the Chairman to take into account new priorities  <i>Will be shared with Trustees at the February meeting</i>	Secretary	Jan 2020	Closed
Dec 19	Exams Strategy: bring back worked through proposals to the February meeting.  Include a one page summary describing the key data to be shared for countries. <i>To be circulated in February</i>	Mark R/Catherine W	Feb 2020	Open
Dec 19	Delegated Authorities: review and update delegation levels and circulate to the Board for approval.	Mark Beddy and CFO	Feb 2020	Open