

In confidence**BCB(20)1st meeting**

Wednesday 12 February 2020

MINUTES**Present**

Stevie Spring
Rachel Lomax
Lindsay Appleby
Mark Beddy
Janet Beer
James Cronin
Stephen Deuchar
Yasmin Diamond
Debbie Forster
Kevin Havelock
Rob Humphreys
Clare Reddington
Fiona Salzen
David Verey

Chairman

In attendance

Ciaran Devane, Chief Executive (CEO)
Richard Thomas, Chief Finance Officer (CFO)
Andy Williams, Chief Operating Officer (COO)
Kate Ewart-Biggs, Director Global Network
Mark Robson, Director English and Exams (item 2)
Catherine Ward, Global People Director, (item 2)
Christopher Wade, Director Strategy and Marketing (item 2)
Mark Stephens, Director Cultural Engagement (item 2)
Andrew Horton, Director Partnerships, Digital & Innovation (item 2)

Kate Arthurs, Director Arts (item 2)
Alison Coutts, Secretary

1. Chairman's introduction

1.1 Apologies for absence & declarations of interest

Kirsty Lang had sent apologies for her absence.

The Chairman noted that Kirsty had sent notes on the Board papers and that she would speak to these as appropriate.

There were no declarations of interest.

1.2 Minutes of the Board meeting of 6th December 2019 and matters arising

All matters arising from the meeting had been actioned or were scheduled for future meetings. It was noted that the situation in Iran had been discussed at the Trustee dinner the previous evening.

The minutes were approved.

1.3 Chairman's comments

The Chairman noted that Lindsay Appleby had moved from the FCO to a role in Number 10 and that we are waiting to hear who the Foreign Secretary will nominate as his successor. She thanked Lindsay for attending the meeting in the meanwhile.

She asked the Board for their approval for Lindsay Appleby to remain on the Remuneration Committee as an independent member which he is keen to do. The Board approved.

The Chairman also noted that Malcolm Press, the Trustee who has been recruited to replace Janet Beer when she steps down, will attend the July Board meeting as an observer before taking up his formal Trustee role from September.

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

The Deputy Chair had visited our office in Lebanon and the Chairman referred to her visit to Istanbul as well as her engagement with the Education World Forum, which had involved over 100 Ministers of Education and had been very impressive.

2. Strategic issues

2.1 Coronavirus risk management

The Chairman referred to the conversation at the Board dinner the previous evening when management of risks related to Coronavirus was discussed. The Director Global Network described the structure that has been put in place to manage it, with bronze incident management teams set up in every country and region, reporting to a silver team in the UK to monitor impact, and a gold team (including the Senior Leadership Team) meeting weekly to consider strategic issues. All countries, including the UK are updating and testing their business continuity plans. Regular communications are going to staff.

The CFO reported on the financial viability and going concern risks, which will occur if commercial trading is suspended in some territories for a material length of time. While the commercial operations make a surplus, a reduction in surplus would significantly impact on our business as much of the surplus supports our non-ODA work and shared costs, and the organisation has limited unrestricted reserves. He reminded the Trustees that the Board and the Accounting Officer have a responsibility to satisfy themselves that the British Council is a going concern when the accounts are signed in July and also that the British Council is financially viable as it continues to trade. The Charity Commission has been alerted and informed that we are monitoring this and identifying measures to conserve cash where possible such as delaying events, cutting travel and holding back on investments.

2.2 Examinations strategy

The Chairman welcomed Mark Robson, Director English and Exams, and Catherine Ward, Global People Director, to the meeting.

Mark Robson introduced the session and thanked Trustees who had contributed to on-going discussions on this matter.

The Chairman reminded the Board that the exams strategy must enable us to reduce costs, attract talent, invest for the future, de-risk our funding model and continue to support our mission.

She noted that the main change since the February meeting was a consultancy report which had identified the challenges of implementation for the various options and possible solutions. Trustees discussed a potential structure, financial arrangements, risks, resource planning and phasing.

It was agreed that the executive should continue reviewing and working through all the above in detail.

It was also agreed that for the March Board meeting, the executive will provide further details on the financial commitment and an analysis of the potential impact of the Coronavirus emergency on funding and the implementation plan.

It was noted that the team is keeping the government fully engaged.

2.3 Strategy 25

The Chairman welcomed Christopher Wade, Director Strategy and Marketing, to the meeting. Christopher updated Trustees on the changes to the Strategy since the February Board meeting and noted that a high-level summary will be included in the Corporate Plan.

The Trustees were pleased that all of the UK is represented but asked that Scotland, Wales and Northern Ireland are not referred to as devolved administrations as they are elected governments.

They agreed that although the organisation shouldn't build expertise on climate change, as this is not within its mission, it should have clear sustainability objectives and targets. It should also be imaginative in terms of how it engages with and connects people it works with on this theme, as it is such a significant issue.

It was noted that this will affect our mobility programmes such as Erasmus and that the executive is considering how to prepare for this.

Overall, the Board agreed that the Strategy is going in the right direction. They also asked for an explanation on the rationale for settling on country priorities. This will be shared for the next Board meeting.

2.4 Fundraising strategy

The Chairman welcomed Mark Stephens, Director Cultural Engagement, Andrew Horton, Director Partnerships, Digital and Innovation, and Kate Arthurs, Director Arts, to the meeting.

Andrew Horton and Kate Arthurs summarised the main points in the paper.

Trustees noted that the paper focussed on plans for seeking funding from philanthropists specifically for the arts. They asked that this be set out in the context of other elements of our funding strategy, including from corporates and through partnerships, so they can see the full picture.

They also suggested setting out the ambitions in the arts more clearly and how the different elements might be funded, so it's easier to see how it all fits together. They agreed that clarity on this be shared with the Board for information, but that in the meantime the team should continue raising money where they can.

The team will also set out the role of the arts advisory groups and how they engage with the organisation, and share with Trustees.

3. Management reports

3.1 CEO

The CEO referred to the Education World Forum, through which the British Council had supported programmes for a number of delegations.

He also noted that we had launched our latest research report on soft power, along with one on modern languages, and that the next volume of Lives Entwined was about to go out.

He updated Trustees on plans for the move to Stratford and the engagement plan for staff which includes regular webinars, town hall events and communications for all staff who will be affected. He noted that the timeline is according to plan and staff will start to move in early autumn.

The Chairman reminded Trustees that Board meetings will be held in the new building. She noted a concern that travel time for some Trustees will be longer, and will consider timings for future meetings with this in mind.

3.2 CFO

The CFO gave a summary of the period 9 management accounts noting that the foreign exchange loss brings the result to around £8m behind quarter 2. This will need careful handling in the final quarter, as will the impact of the coronavirus on exams.

He noted that the budget will come to the March board meeting for approval, having been reviewed by the Audit & Finance Committee.

4. Corporate and governance

4.1 Report from Commercial Committee

Kevin Havelock reported back from the Commercial Committee meeting on 11th December.

He noted the impressive performance on exams and that the Committee had discussed the on-going strategic review of exams.

He referred to the teaching strategy which the Committee had agreed is in good shape with some innovative ideas being trialled.

He noted that the Committee had asked for clear next steps on the British Council Schools strategy now that the China opportunity is no longer an option. This will be an item on the agenda for their next meeting.

4.2 Approach to Annual Report

The COO referred to the approach proposed in the paper which is to reduce its length and focus on what the Foreign Affairs Committee needs, as the primary audience for the report. He also noted that in future the intent is to digitalise it and make it more relevant to wider audiences.

The Board asked that reporting on outputs, key achievements and numbers is consistent with other documents and stressed that we need one narrative across all our publications.

They agreed the approach.

4.3 Revised Delegated Authorities

Mark Beddy reminded the Board that they had seen a previous draft of the delegations at the December meeting at which they'd asked for further review. He noted the main changes made following this which he considered sensible and are in line with Public Money.

The Board approved the revised Delegated Authorities.

5. Work programme

The Board noted the updated work programme for the Board which had been shared for information.

6. Any other business

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

There followed an in camera session with Trustees only.

Meeting date	Action	Owner	Due date (note reasons for changes)	Status:
May 19	Share a tracking document on progress on Tailored Review recommendations <i>Shared with the Board in Mar 2020</i>	Andy W/Christopher Wade	This will come to the Board quarterly until complete. Complete by March 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>Added to Diligent in Feb</i>	Mark R/Catherine W	Feb 2020	Closed
Dec 19	Delegated Authorities: review and update delegation levels and circulate to the Board for approval. <i>Approved at the Feb Board meeting</i>	Mark Beddy and CFO	Feb 2020	Closed
Feb 20	Share methodology behind identifying country priorities <i>Included in the Mar Board meeting pack</i>	Kate	Mar 2020	Closed
Feb 2020	Share a paper on partnership funding, including fundraising	Mark Stephens	Apr 2020	Open
Feb 2020	Share a note on the governance and role of the arts advisory committee	Secretary	Mar 2020	Open