

In confidence

BCB(19)4<sup>th</sup> meeting

Thursday 16 May 2019

## **MINUTES**

### **Present**

Christopher Rodrigues	Chair
Rachel Lomax	
Lindsay Appleby	
Mark Beddy	
Janet Beer	
James Cronin	
Stephen Deuchar	
Kevin Havelock	
Kirsty Lang	
Clare Reddington	
Tom Thomson	
David Verey	

### **In attendance**

Fiona Salzen, independent member of the Audit & Finance and the Risk Committees  
Rhiannon Wyn Hughes, Acting Chair of the Wales Advisory Committee  
Ciarán Devane, Chief Executive  
Kate Arthurs, Director Arts  
Kate Ewart-Biggs, Director Network  
Andrew Horton, Director Digital, Partnerships and Innovation  
Mark Robson, Director English and Examinations  
Mark Stephens, Director Cultural Engagement  
Richard Thomas, Chief Financial Officer  
Catherine Ward, Global People Director  
Andy Williams, Chief Operating Officer  
Dan Shah, Director Research (item 7)  
Alison Coutts, Secretary

## **1. Apologies for absence & declarations of interest**

Yasmin Diamond and Rohan Gunatillake had sent apologies for their absence. There were no declarations of interest.

The Chair welcomed Lindsay Appleby, Stephen Deuchar and Clare Reddington to their first meeting as newly appointed Trustees.

He also welcomed Rhiannon Wyn Davies, Acting Chair of the Wales Advisory Committee, and Fiona Salzen, an independent member on the Audit & Finance Committee and on the Risk Committee as attendees at the meeting.

## **2. Minutes of the Board meeting of 26<sup>th</sup> March and matters arising**

All matters arising from the meetings had been actioned or were scheduled for future meetings. The minutes were approved.

## **3. CEO report**

The CEO gave an update on the situation concerning a member of staff in Iran, and the efforts that are being made on her behalf by various parties.

Ciarán then updated Trustees on a range of security issues the organisation is managing in various countries, including the recent attacks in Sri Lanka during which a colleague lost his life. Trustees payed tribute to him and his family and acknowledged the incredible resilience of staff around the world who work in extremely difficult circumstances.

The CEO and Janet Beer gave a read-out from the Going Global conference in Berlin, which had attracted education ministers and leaders from around the world, provided a space to discuss and share best practice and innovation in higher education globally, and enabled networking opportunities to strengthen international collaboration.

Ciarán also reported on a visit to China set up by the Cabinet Office for various Permanent Secretaries in which he had been included. He noted that it had provided an opportunity for the UK to engage with China across a range of areas including those relevant to the British Council.

He noted that actions on the recommendations from the Tailored Review were in train. It was agreed that a tracking document on actions would be shared with Trustees to both give assurance and provide the information they may need when talking to stakeholders.

## **4. Year end performance review (impact and finance)**

The COO noted that the narrative paper shared with Trustees had been designed to give an overview of impact, achievements and challenges from the last year, but also to provide Trustees with examples and stories in summary form, for use when they are talking to stakeholders.

Trustees found this useful and liked the format. They asked for further information on strategic partnerships, how the organisation approaches and manages them, and the scale of ambition in this area. They also noted that the trajectory is to do more in partnership. It was agreed that a session on this would come to the Board.

The CFO gave a summary of the year end accounts pre-audit and before allowing for adjustments to tax provisions and any adjustments identified by the auditors.

He noted that overall performance has been strong, with an increase to reserves of c£15m. He observed that this reflected a positive commercial performance in year, with an operating surplus of +£5.5m higher than budget.

He also referred to the risks related to the Spending Review which will be extremely challenging, and risks related to Brexit, particularly as regards Erasmus+ and other EU funded contracts, which the management team is working through.

## **5. Annual Report & Accounts - process for review**

The COO and CFO reminded the Board that at the 10<sup>th</sup> July Board meeting, Trustees will be asked to approve the annual report and accounts after which they will go to the NAO for signature and then presented to Parliament before the summer recess.

They noted that the Audit & Finance Committee will meet before then to review the accounts, but it would be helpful to engage with a few Trustees on the content and style before then.

It was agreed that Kirsty Lang, James Cronin and Clare Reddington would review and contribute before the final version goes to the Board for approval at the July meeting,

## **6. Examinations strategy**

The Board had a discussion on the organisation's examination's strategy, noting its contribution to cultural relations impact and to the financial plan. It was also noted that the on-going exams transformation programme is making essential changes, such as online marking and payments, which will provide easier access to customers.

It was agreed that management should focus on the future of exams as a priority and come up with some innovative options to address the future of the business.

## **7. Research strategy and plan**

The Chair welcomed Dan Shah to the meeting.

Mark Stephens noted that the Board had asked for more information on the research programme, which been led by the Jo Beall, Director of Education & Society, until her recent retirement. He introduced Dan, who had recently joined the organisation to take forward the research portfolio. Dan gave an update on his initial views and plans.

Advice from Trustees included:

- Be clear on techniques and channels for dissemination;
- Plan for longitudinal data and be clear on how it will be used for what outcomes;
- Distinguish between research, evaluation and thought leadership; and what is required for each in terms of management, outcomes, reporting, etc.
- Be specific in terms of examples to build support and awareness.

## **8. Governance issues**

### **8.1. UKVI**

The Board approved delegation to the CEO to sign the UKVI concession agreement as described in the paper.

### **8.2 Cambridge International Exams**

The Board approved delegation to the CEO to approve a replacement contract with Cambridge International Assessment Education. It was noted and approved that the Cambridge indemnities are capped at £5m for data breach and not at £3m as described in the paper.

### **8.3. Delegation to affix the Common Seal**

The Board approved the resolution to give the Deputy Chair the power to determine those authorised to affix the Common Seal of the British Council.

### **8.4. Disposal of property in Ghana**

The Board approved the disposal of a vacant residential property.

## **9. Chair's business**

The Trustees thanked Christopher Rodrigues for his contribution over the last three years, noting in particular the considerable improvements to financial transparency, performance and accountability, and the progress in embracing digital which the British Council has made during this time.

## **10. Any other business**

There was no other business and the meeting ended at 12.30.

## 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	July 2019	Open
May 19	Session on strategic partnerships including: how the organisation approaches and manages them; scale of ambition	Andrew H	October 2019	Open
May 19	Exams strategy: make recommendation based on options analysis for review at July Board	Ciaran D/Mark R	July 2019	Open