

In confidence

BCB(12)1st meeting

Tuesday 21<sup>st</sup> February 2012

## **MINUTES**

### **Present**

Vernon Ellis                      Chair  
Alan Buckle                      Deputy Chair  
Nihal Arthanayake  
Martin Bean  
James Boyle  
Simon Fraser  
Pamela Gillies  
Sue Hoyle  
Claire Ighodaro  
Howell James  
Steve Jones  
Patrick McKenna  
Raoul Shah

### **In attendance**

Jo Beall, Director Education & Society  
Pippa Greenslade, Director Global HR  
Adrian Greer, Director Global Network  
Mark Robson, Director English  
Bidesh Sarkar, Chief Financial Officer  
Graham Sheffield, Director Arts  
Rebecca Walton, Director Partnerships & Business Development  
John Worne, Director Corporate HQ  
Michael Bird, Regional Director Wider Europe (item 7)  
Mandy Johnson, Head Business Solutions (item 7)  
Andy Mackay, Secretary

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

Tony Hall and Martin Davidson had sent apologies for their absence.

### **2. Minutes of the Board meeting of 6 December 2011 and matters arising**

All matters arising from the meeting were being actioned, were included in the agenda for this meeting, or were scheduled for a future meeting.

The minutes were approved.

### **3. Chair's business**

Trustees considered the draft terms of reference for the proposed Finance & Contracts Committee. They agreed that it was appropriate for the Committee to have advisory and not executive status.

They also agreed that it was appropriate for overview of the developing group structure and subsidiary entities to remain within the terms of reference for the Audit Committee. The Chair of the Audit Committee confirmed that the committee would be content to continue to review the project work plan and progress achieved. The terms of reference were approved and the Chair would discuss with individual Trustees their possible membership of the committee.

The Chair updated Trustees on the process for appointing a new Deputy Chair. There would be an open recruitment process, led by an external agency who had been appointed following a competitive tender exercise. Any qualified candidate, including current Trustees, would be eligible to apply for the post. In addition to the Deputy Chair, the process would seek to identify a number of possible new Trustees to take the place of those who would be retiring from the Board over the coming year. It was particularly important to recruit at least one new, accountancy qualified Trustee to the Board in order to ensure that the future smooth running of the Audit Committee. The Secretary would circulate the advertisement to all Trustees when it was finalised, and Trustees were considered to suggest any suitable candidates for Deputy Chair or new Trustees so that they could be invited to apply.

Trustees reported on recent visits they had made to British Council operations overseas:

- Pamela Gillies had visited Thailand for the opening of the new Teaching Centre and the Education UK fair in Bangkok. She had been impressed by the dynamism and entrepreneurialism of the team in Thailand.
- Sue Hoyle had visited Spain to take part in an arts workshop sponsored by the British Council. While there, she had visited the British Council School, which she commended warmly to the Board for its reputation, reach, impact and contribution to the visibility of the British Council in Spain. She had also visited Tokyo and Hong Kong, where she had participated in very successful British Council events.
- Howell James had made a visit to the British Council in Rabat while visiting the country to discuss communications with the Moroccan government. He had found the British Council team to be knowledgeable, skilled and strongly led.

The Chair encouraged Trustees to visit overseas operations when possible and to report to the Board on their experiences and impressions.

The Chair of the Audit Committee reported on the meeting of the Committee which had taken place the previous day. The agenda had included:

- The state of preparedness for year end, which was agreed to be good with both the National Audit Office and PWC, the global partner for audit of subsidiary entities.
- The 2012/13 Internal Audit plan, which had been approved, and progress on the 2011/12 plan, about which the Committee was satisfied.
- A progress update on the development and implementation of child protection measures.
- A six monthly report on the status and tax project. A huge amount had been achieved and the project was progressing to plan. However, the plan was evolving in response to changing circumstances and priorities, so it was not yet possible to determine the likely final outcome.

#### **4. Chief Executive's Report**

Adrian Greer introduced the reporting Martin Davidson's absence. *\*Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it is "likely to prejudice the effective conduct of public affairs as defined in Section 36 of the Freedom of Information Act 2000".*

The publication of British Council research on the impact of changes to visa policy for some groups of overseas students had attracted media coverage and comment. Trustees were supportive of the research and of the measured approach which had been taken to its dissemination, given the

importance of this issue to the UK, both for its international reputation and its continuing leadership in global education. They commented that, in their experience, changes to visa policy were of concern in many overseas countries. They also confirmed that the research and commentary had been welcomed by the university sector. It was reported that there were also concerns in the arts sector, voiced recently by Arts Council England, about the difficulties being experienced by some international artists in obtaining a visa to visit the UK in connection with their work.

He updated the Board on progress on the five “turbo charge projects” and invited Trustees to comment. Three of the five groups had now met and a lot of preparatory work had been undertaken for the other two, one of which would meet immediately following the Board meeting and the other in mid March. The Board encouraged the Executive to continue development of the projects with pace and to seek to cross fertilise where possible between the projects, particularly between profile & participation and digital.

## **5. Organisational Performance Report**

The Board noted the financial performance report and commended the Executive for the financial performance at this stage of the year. They were given assurance that the remaining income and expenditure targets for the year were achievable and that the forecast reflected the pattern of previous years. The profile of much expenditure happening in the latter part of the financial year was being addressed for 2012/13, with plans already agreed for the year and budget being released much earlier. This represented a significant improvement in the time line and would enable operational staff to plan their activity more evenly through the year.

Trustees requested an update on how the overall investment plan would support delivery of the corporate plan targets, in particular any large scale IT projects. The Chair suggested that this could initially be reviewed by the Finance and Contracts Committee before discussion in a full Board meeting. The Board would also welcome more detail on the achievement of outcomes and impact targets to complement the detailed financial reporting.

The Board were updated on delays in approvals for one of the major commercial development projects in English language. The presentation on English strategy at the next meeting would include more detail on other projects which were in development to ensure that the overall global growth targets were met despite these delays. Trustees were keen to learn more about new products which could be developed in order to diversify income streams and requested a summary of the organisational learning derived from the recent, unsuccessful tender submitted to continue management of the FCO Chevening scholarship scheme.

## **6. Draft Corporate Plan 2012 - 2015**

The Board approved the revised draft of the corporate plan for submission to the FCO for ministerial comment.

## **7. Global Presence**

Trustees welcomed the progress that had been made in plans and actions to rebuild models of presence overseas. They confirmed their commitment to maintain the global network at broadly the current scale, while cutting costs and increasing revenues in order to achieve overall growth and increased effectiveness.

They commended the work which had been undertaken to restructure the Wider Europe region, with a new model of country leadership, clustering of support services and different models of premises usage and occupancy. They noted the savings and efficiencies that this had achieved without a reduction in effectiveness or impact. They encouraged the Executive to consider the benefits of a wider application of the approach used, although they agreed that different contexts would require different approaches and that relative strategic importance would also need to be taken into account. From their own experience, Trustees advised on the importance of providing strong business support services on a global platform to achieve maximum efficiencies and prevent local duplication of process and service. They recognised the need to balance any reductions in bureaucracy with the

maintenance of an appropriate control framework and agreed that looking at regional approaches and consolidation was an effective solution.

The Board underlined the importance of face to face engagement as a core element of cultural relations. They wholeheartedly supported the focus on developing forms of digital and broadcast engagement, as was being achieved in many English language development programmes to excellent effect, but agreed that it would be counterproductive to seek to wholly replace face to face with digital engagement. They also agreed that the change in the nature of physical presence on the ground would need to be carefully managed so as to preserve the value and profile of the organisational brand.

## **8. Arts Portfolio**

The Board endorsed the progress that had been made over the last four years in rebuilding the profile and reputation of the British Council for its work in the arts and the contribution which this made to the UK. Trustees confirmed that they were receiving very positive feedback on the organisation's clarity, commitment and programme work in the arts, in addition to significant positive media commentary and profile.

They were pleased to learn of the developing partnership with organisations such as Arts Council England and of collaboration in areas such as exploitation of the British Council collection and Arts Council collection. They commended the priority being given to developing new partnerships and to the increasing focus on co-investment and to working with organisations which had matching ambitions to those of the British Council. They encouraged the executive to seek more opportunities for work in the arts to be integrated with work in Education & Society and English language.

Trustees commented on the success of the initiative to rebuild capacity and expertise within the different sectors and of the impact which this had had, both internally and externally. The approach to global working, initially positioning and then drawing on expertise around the network had proved highly effective.

They suggested that more consideration be given to building work with the creative industries, focussing particularly on the huge demand for UK skills in a range of sectors, alongside some of the cutting edge expertise of the UK in areas such as gaming and digital programme. This would require new partnership and significant external investment, as well as collaboration with other bodies which were already active in this field. Productive discussions were already underway with other agencies such as UKTI, in order to build the best approach, clarify roles and avoid overlap. The Board would welcome an update on work in the creative industries at a future meeting.

## **9. British Council 2012 programme**

This item was deferred owing to pressure of time. The Board noted the quantity and quality of programme being delivered in the UK in 2012 and commended the team developing and managing its delivery.

## **10. UK Premises Strategy**

The Board welcomed the move to rationalise use of space in the Spring Gardens building. They noted the proposed investment and the financial impact of the different options put forward.

In order to inform their decision as to the best solution, they requested some further detail about alternative proposals, including the qualitative outputs of each in addition to the financial inputs required. They were particularly interested in the potential to refurbish some space for use on an occasional basis by partner institutions or for core British Council activity, such as teacher development work.

## **11. British Council Annual Report 2011/12**

The Board endorsed the approach proposed for development of the annual Report.

## 12. EEP Bangladesh Contract

The Board approved renewal of the contract for the project to empower economically the poorest in Bangladesh for which the British Council had successfully tendered and delegated authority to the Chief Executive to sign the contract.

## 13. Any other business

There was no further business and the meeting concluded at 1125.

### Summary of action points arising

#### Meeting of 11 October 2011

(05)6	April 2012 agenda item on Education and Society to include overall strategy and narrative
(05)9	July 2012 agenda to include item on operation of subsidiary entities
(05)10	July 2012 agenda to include item on Central Bureau Pension scheme

#### Meeting of 6 December 2011

(06)4	April 2012 English strategy agenda item to include focus on projects to maintain and develop the English and exams businesses
(06)6	Chief Executive report for future meetings to include a section on progress on implementation of people strategy
(06)7	Terms of Reference for Education and Society Advisory Groups to be circulated to Trustees when drawn up

#### Current Meeting

(01)1	Secretary to circulate advertisement for Deputy Chair and new Trustees to Trustees
(01)2	Trustees to suggest names of suitable candidates to the Secretary
(01)3	Finance & Contracts Committee to review corporate plan investment schedule
(01)4	April 2012 English strategy agenda item to include consideration of new product
(01)5	Brief paper on organisational learning from unsuccessful full cost recovery contract tender to be prepared for Trustees
(01)6	Draft corporate plan to be submitted to FCO for ministerial review
(01)7	CFO to revert to Board with more detail on proposed premises investment for Spring Gardens.

\*

\* Enquiries regarding the redacted information contained in this document should be directed to the Information Policy Advisor: Freedom of Information, British Council, 10 Spring Gardens, London SW1A 2BN or via email, [foi@britishcouncil.org](mailto:foi@britishcouncil.org).