

In confidence

BCB(12)5th meeting

Tuesday 09 October 2012

MINUTES

Present

Vernon Ellis Chair
Martin Bean
James Boyle
Pamela Gillies
Richard Gillingwater
Tony Hall (items 1- 8)
Sue Hoyle
Claire Ighodaro
Steve Jones (items 1 – 7)
Ros Marshall
Raoul Shah (items 1 – 7)

In attendance

Jo Beall, Director Education & Society
Martin Davidson, Chief Executive
Pippa Greenslade, Director Global HR
Adrian Greer, Chief Operating Officer
Mark Robson, Director English
Bidesh Sarkar, Chief Financial Officer
Graham Sheffield, Director Arts
Rebecca Walton, Director Partnerships & Business Development
John Worne, Director Corporate HQ
Rosemary Hilhorst, Director EU Europe (item 8)
Sanjay Patel, Head Employment & Reward Global HR (item 12)
Andy Mackay, Secretary

Trustee Appointments

Trustees confirmed the following appointments:

Richard Gillingwater was appointed as Chair of the Audit Committee and Martin Bean as a member of the Audit Committee.

Gareth Bullock and Ros Marshall were appointed to the Finance & Contracts Committee.

Richard Gillingwater and Martin Bean were appointed to be Directors of British Council Holdings.

The Chair confirmed that Usha Prashar had assumed the role of Chair of the Remuneration Committee on her election as Deputy Chair.

1. Apologies for absence & declarations of interest

Gareth Bullock, Simon Fraser, Howell James, and Usha Prashar had sent apologies for their absence.

The Chair welcomed Richard Gillingwater and Ros Marshall, who were attending their first formal meeting of the Board.

There were no declarations of interest.

2. Minutes of the Board meeting of 10th July 2012 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 endorsed the Chair's summary of their recent away day and agreed the proposal for oversight and engagement with the three project areas which they had identified.

They agreed that use of the word "commercialisation" was potentially misleading and that entrepreneurial public service was a more appropriate way to describe their ambitions for the future development of the organisation.

When considering further the areas of UK profile and participation; partnership and entrepreneurship; and organisational culture, the Chair encouraged Trustees to question whether the Board was being adequately bold and ambitious to deliver the full potential of the organisation for 2020.

4. Report from Audit Committee

Claire Ighodaro, Chair of the Audit Committee, reported to the Board following the meeting of the Audit Committee which had taken place on October 8.

She particularly drew the attention of the Trustees to the global finance change programme, which the Audit Committee had identified as a major change programme affecting the whole organisation, and not just finance. The Board agreed that they would welcome a more detailed presentation on the programme to allow them to take assurance on the governance structure and the detailed business case.

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 commercial interests" of either the British Council or another party, as it is defined in Section 43 (Commercial interests) of the Freedom of Information Act 2000.*

The Committee had been updated on the ongoing recruitment exercise for the internal audit team and the difficulty in recruiting suitable auditors who were prepared to undertake a role with such a significant travel requirement. While recruitment attempts continued, alternative options were being researched, including the potential to appoint an external body as audit partner or to share resource with other UK government bodies working internationally.

5. Chief Executive's Report

Martin Davidson reported on his recent visit to Brazil, accompanying the Prime Minister as part of his delegation. The visit had been valuable and helpful, allowing time to discuss greater collaboration, particularly with relevant education organisations. The visit had allowed Ministers to learn at first hand the huge potential for the UK to work with the Brazilian authorities in the development of English language provision in the basic education system.

He also reported on a meeting which he and the Chair had had with Lord Green, Minister for Business. The minister had welcomed the growing collaboration between the British Council and UKTI and the role of the British Council both in identifying opportunities for the UK's education institutions overseas and in delivering services on a fee paid basis itself. He had encouraged wide engagement with organisations across the sector.

6. Chief Operating Officer's Report

This was the first meeting since Adrian Greer had taken up the role of COO. The report which he presented built on the organisational performance report and focussed on in year performance and operational issues of which Trustees should be aware. He invited Trustees to indicate how the report format and content could be developed to be most useful for them.

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They noted the volatility of the security environment in certain areas, particularly Middle East and North Africa region and the ongoing risk assessment exercise which was being undertaken. They agreed that duty of care for the safety of staff, visitors and participants was prime and that the British Council must achieve standards of security which were appropriate to the situation on the ground and the objectives in that environment. Comparison with a reference group of similar organisations operating in that region was one effective way of determining the appropriate standards and measures. They also agreed that there were circumstances in which it would be preferable to withdraw completely from a location rather than have to implement security measures which would make it impossible to operate effective cultural relations' programmes.

They agreed that they would welcome a regular focus on individual risks in the strategic risk register, as part of the reporting to the Board by the COO and that the security risk should be one of the first for them to review.

Graham Sheffield reported on the successful launch of the Transform arts programme which was possibly the largest programme which the British Council had launched in a single country, with a four year time scale. The programme was attracting great interest both in the UK and Brazil and was building a model for the work of the British Council in other, similar countries.

7. Profile and Participation

The Board endorsed the core objectives for the programme through to 2015, that the British Council should be widely recognised in the UK as

- Clearly enhancing the global cultural and educational standing of the UK
- A Great British Institution, and a valued cultural and educational asset for the UK
- Internationalising the young people of the UK and equipping them to seize international opportunities

They welcomed the progress made but requested a clearer definition of UK target audiences for the programme. They agreed that there should be clearer measurement of their levels of awareness and attitudes to the organisation and suggested that peer benchmarking would also be valuable.

They were fully supportive of the proposal to increase the visibility of Education & Society and Arts programmes in the UK and through this to build organisational profile and participation in the programmes themselves. In order to monitor and track this, it would be important for them to have fuller information about numbers of UK participants and institutions in youth programmes, the nature of their engagement and the visibility and value which resulted from those programmes.

They endorsed the approach taken to defining the organisational posture and stance in relevant areas through the development of the series of corporate fact sheets which were available to the public through the British Council homepage. These positions would allow the organisation to increase its profile in relevant situations; this would require the development of spokespeople and the application of appropriate language. They would value further discussion of the potential issues chosen and the language to be applied once this had been clarified with the Board time identified for the project.

Trustees underlined that one of the most effective ways to build the profile of the organisation in the UK would be through internal engagement and staff. The development of a clearer UK mission with which staff identified closely would enable them to represent the organisation externally in support of the programme.

The Board was eager to learn more about the scales of potential investment in this programme and the results which it could deliver. They agreed that, once the ambition was agreed, it would be important to review capabilities and either develop additional in-house expertise or bring in additional resource as appropriate. This would be discussed at a future meeting.

8. Building our future: the British Council in Europe

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 harm UK interests" as defined in Section 27 (International relations) of the Freedom of Information Act 2000.*

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 (Prejudice to the effective conduct of public affairs) of the Freedom of Information Act 2000.*

9. Status Resolution: South Africa

The resolution to establish and register a branch of the British Council in South Africa under the laws of the South African government was proposed by Claire Ighodaro, seconded by Sue Hoyle and passed unanimously. The full resolution is attached at annex one.

10. Status Resolution: Poland

The proposal to establish a Foundation in Poland was given in principle approval. Full approval and the presentation of any necessary resolution was dependent on the approval of Vernon Ellis, Claire Ighodaro and Richard Gillingwater of the draft articles of association for the foundation.

11. Delegated Authorities to the Chief Executive

The Board approved the revised delegated authorities to the Chief Executive and delegated authority to the Chair to sign them on their behalf.

12. CBEVE Pension Scheme

The Board welcomed Sanjay Patel, Head of Employment and Reward, Global HR. They noted the report on the Central Bureau for Educational Visits and Exchanges Pension Scheme, welcomed the progress made in discussions with the Trustees of that scheme and endorsed the proposal to close the scheme for future service accrual and to make other future suitable pension arrangements for the small number of staff affected.

13. Nigeria NSRP: contract amendment

The Board approved the proposed amendments to the contract and delegated authority to the Chief Executive to sign the revised contract.

14. Any other business

There was no other business and the meeting ended at 1400.

Summary of action points arising

Meeting of 21 February 2012

(01)3	Finance & Contracts Committee to review corporate plan investment schedule
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Meeting of 17 April 2012

(02)1	Rebecca Walton to update Trustees on Microsoft partnership as appropriate
(02)4	Mark Robson to report <i>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 commercial interests" of either the British Council or another party, as it is defined in Section 43 (Commercial interests) of the Freedom of Information Act 2000*</i> .

Meeting of 12 June 2012

(03)3	Andy Mackay to prepare options for Board effectiveness reviews for presentation in late 2012
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Meeting of 10 July 2012

(04)3	Vernon Ellis to seek nominations for a new independent member of Audit Committee
(04)6	Bidesh Sarkar to develop reporting on investment portfolio in line with Trustee requirements.

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Current meeting

(05)1	Global Finance change programme to be included on agenda for early 2013
(05)2	Pippa Greenslade and Everton Merchant to action further dissemination of Speak UP policy

	and process in high risk environments
(05)3	Trustees to make any comments on format and content of COO report to Adrian Greer
(05)4	Future COO report to include reporting on one or two strategic risks per meeting
(05)5	John Worne to update on Profile and Participation at December meeting
(05)6	Building our future in Europe to be included on agenda for early 2013
(05)7	Vernon Ellis, Claire Ighodaro & Richard Gillingwater to review draft articles of association for Poland Foundation for approval
(05)8	More detail to be provided on Nigeria NSRP and work in social justice at December meeting

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Status Resolution: South Africa

IT IS RESOLVED THAT:

- (1) a branch of the British Council in South Africa be established and registered under the laws of the South African government;
- (2) the name of the branch shall be British Council in South Africa, and the address of the branch shall be 275 Jan Smuts Avenue, Dunkeld Corner, Dunkeld West, 2196, South Africa;
- (3) the registered representative of the branch shall be David Cordingley:

Nationality: *Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it contains "personal data" as defined in Section 40(2) (Personal Information) of the Freedom of Information Act 2000*.*

Date of Birth: *Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it contains "personal data" as defined in Section 40(2) (Personal Information) of the Freedom of Information Act 2000*.*

Address: *Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it contains "personal data" as defined in Section 40(2) (Personal Information) of the Freedom of Information Act 2000*.*

- (4) the subsequent representatives shall be appointed by the CEO or authority delegated from CEO and certified as duly appointed representative by the Secretary to the British Council, or a statement confirming the appointment executed under seal in the presence of two authorised officers
- (5) The Secretary to the British Council is authorised to sign the certificate of organisational information on behalf of the board
- (6) David Cordingley be authorized as the attorney-in-fact of the British Council in South Africa for any all matters necessary to accomplish the establishment of the branch and the registration of the foregoing particulars, including but not limited to making statements on behalf of the British Council, filing reports with the relevant government authorities and/or foreign exchange banks, and the appointment of a law firm or other representative of David Cordingley as sub-attorney-in-fact. It is further resolved that a statement confirming the appointment of David Cordingley as such attorney-in-fact shall be executed under seal of the British Council in the presence of two authorized officers.

(7). *Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it contains "personal data" as defined in Section 40(2) (Personal Information) of the Freedom of Information Act 2000* or any other attorneys appointed by them associated with MoreStat Corporate Services having its office at 24-18th Street Menlo Park, Pretoria, 0081 be authorised severally or jointly as the attorney-in-fact for purposes relating to the establishment of a branch (the "Branch") in South Africa under the The Companies Act No.71 of 2008, including but not limited to the following:*

- to acquire, obtain and submit any and all documentation on behalf of the British Council, including but not limited to signing, completion and submission of application form required for registration of branch to the Companies and Intellectual Property Commission (the "CIPC") and all documentation related thereto as the Attorney may deem necessary;
- to appear before authorities of the Government of South Africa and other officials in charge of or involved with the establishment of branch;

- to sign, seal, deliver, enter into, acknowledge and perfect all such applications, filings and documents and to request and provide all information, and to do acts and things as are necessary or expedient to be done to give effect to the authorizations and purposes herein.

* Enquiries regarding the redacted information contained within this document should be directed to the Information Policy Advisor: FOI, Information and Knowledge Management, British Council, 10 Spring Gardens, London SW1A 2BN (foi@britishcouncil.org)