

In confidence

BCB(11) 6th meeting

Tuesday 6 December 2011

MINUTES

Present

Vernon Ellis	Chair
Alan Buckle	Deputy Chair (by Teleconference items 1 – 7)
Nihal Arthanayake	
Martin Bean	
James Boyle	
Simon Fraser	
Pamela Gillies	
Tony Hall	
Sue Hoyle	
Claire Ighodaro	
Howell James	
Patrick McKenna	
Raoul Shah	

In attendance

Martin Davidson, Chief Executive
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
Andy Hansen, Partnerships Team (item 6)
Andy Mackay, Secretary

1. Apologies for absence & declarations of interest

Steve Jones and Patrick McKenna had sent apologies for their absence.

The Chair apologised for having to leave the meeting early for another appointment; following his departure during item 7 on the agenda, the chair was taken by Claire Ighodaro.

There were no declarations of interest relating to matters on the agenda for this meeting.

2. Minutes of the Board meeting of October 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

The Trustees discussed the Chair's suggestion that they consider the setting up of a Finance Committee to provide assurance to the Board that the organisation remained on course to achieve its ambitious financial targets. The Board agreed that it would be important for such a committee to be segregated from the Audit Committee and that it should not assume any of the key responsibilities or accountabilities of the main board but that it could be a helpful mechanism to bring focus on particular aspects of finance and financial risk. The group would operate as advisory to the main board and would not have specific delegated authorities. The Board discussed the possibility of this group assuming responsibility for review of the contracts pipeline which they had previously agreed would be helpful, as well as having oversight of and providing assurance to the Board about the developing group structure and legal entities which it comprised. The Board agreed that the Chair should discuss this further with the Executive and revert with a proposal for more detailed discussion at a future meeting.

The Chair explained the role of the future horizon group to which he had made reference in his notes. The main focus of the group was to develop some options and scenarios for the planning horizon beyond the current corporate plan. **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 Chair reported on the hearing at the Foreign Affairs Committee which he and Martin Davidson had attended. The hearing had been constructive and supportive and had given them the opportunity to explain to the committee in some detail the progress already made in achieving greater focus and efficiencies, as well as some of the significant challenges to the achievement of the ambitious four year plan for the organisation.

Claire Ighodaro reported on her recent visit to the USA on behalf of the British Council, where she had signed the partnership agreement with Microsoft. She congratulated the team responsible for development of the partnership and welcomed the cross-team approach to the project, which had involved the USA, the UK and Kenya. She had encouraged the team to focus on delivering the best benefit for the organisation from the new arrangements.

Sue Hoyle reported on a visit she had made to the British Council in Shanghai, where she had met a group of arts practitioners. She had been impressed by the strong relationships which the British Council enjoyed with this group and the importance that the group placed on the access which they gained through the British Council to new work and international networks. **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 of the Freedom of Information Act 2000".*

Pamela Gillies reported on her brief visit to Saudi Arabia, accompanying Rt Hon David Willetts MP, Minister of State for Universities and Science. She described the appetite from the Saudi authorities for the building of skills in the university sector. The British Council had developed a strong relationship with the education authorities, which was welcomed by the Saudi authorities. The role for the organisation in this case was to bring together UK institutions to satisfy the demand, as well as to develop the English language skills of relevant staff.

The Chair encouraged Trustees to keep the Chair & CEO's office informed of their travel plans and to discuss with them visits to any particular British Council locations or projects they would be interested in making.

4. Chief Executive's Report

Martin Davidson reported on the return of UK appointed staff to Libya and of the relaunch of the office and a full programme of activity on the same day as this meeting. ** 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 international relations" as defined in Section 27 of the Freedom of Information Act 2000.*

He updated Trustees on the security situation in Syria and the decision to withdraw the UK appointed Deputy Director and to base the Director in Beirut, paying regular visits to the country. The office remained open and functioning with the team of locally engaged staff. **Information in this section has been redacted/removed as it is likely to be exempt from disclosure on the grounds that it may "compromise health and safety" as defined in Section 38 of the Freedom of Information Act 2000.*

He reported on his recent visits to open new offices in Erbil and Ramallah. In Erbil, the first office to open with public access since the Iraq war, there were huge opportunities for the British Council and the UK, particularly in English language and education. In Ramallah, the office was reopening following the burning down of the previous premises during a series of anti American demonstrations. Important work was being done in Palestine and he had attended a successful event bringing together 220 UK alumni in Ramallah and Gaza, linking the Gaza participants with those in Ramallah by video conference.

He informed Trustees that final figures for recent strike action in response to proposed government changes in pension arrangements which would affect British Council staff were not yet available. A significant majority of staff in London had attended work, while the majority in Belfast had not attended. Attendance in Manchester and Cardiff had fallen between the two. The strike was called in response to government proposals and not in relation to any particular decision or action by the British Council.

5. Organisational Performance Report

The Board noted the performance report and that the progress to achievement of in year targets had not altered significantly since the previous report. They requested that the April 2012 agenda item for the English strategy should include more detailed discussion of the proposals for the maintenance and development of the English business, given the prevailing economic climate and increasing competition in key markets.

They endorsed the analysis of the organisation's exposure to risk in the Euro environment. They agreed with the conclusions and strategy of the Chief Financial Officer, who would keep them informed of any significant developments.

6. Partnership Strategy

The Chair welcomed Andy Hansen of the Partnerships Team, who joined the meeting for this item.

The Board endorsed warmly the strategy that was presented and approved it for implementation. They agreed that the implementation had potential to drive significant value into the organisation and that it would be very important to define outcomes beyond financial measures which could underpin that. ** 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 of the Freedom of Information Act 2000" .*

The developing narrative should be attractive to corporate entities in their different areas – in addition to corporate social responsibility, there was potential to attract partners using both their marketing and their sponsorship resources. The approach would need to vary to reflect the differing ambitions of those different parts of any corporation, bringing together the access and the knowledge which were the core part of the organisation’s intellectual property. Corporations could usefully be profiled using their available resource or appetite for partnering rather than simply the scale of their operation or impact of their brand. Engagement would be needed at the most senior levels to create the right environment of shared context and ambition which would then drive delivery through both organisations.

It would be critically important for the organisation to be clear about its brand proposition and to develop its ability both to market and protect the brand as it moved into new arrangements and distribution channels such as, for example, digital delivery of English language product.

Trustees noted the risks outlined in the strategy and requested that future development of the strategy should include a fuller RAG analysis, the mitigating actions being undertaken and a clear link to the strategic risk register.

7. Building the capability to deliver 2015

Trustees welcomed the approach to this area, which represented the vision and thinking of the whole leadership team. They agreed that this was one of the most important areas for successful delivery of the organisation’s strategy. They were unanimous in endorsing the need for revised process which should be implemented effectively and rigorously, while avoiding becoming overbureaucratic, but stressed that it was dependent on strong leadership from the executive and senior managers, with input and guidance from the Board.

The strategy outlined was ambitious and appropriate; there were real challenges in its successful delivery but the Board were fully supportive of the ambition expressed. Many of the areas included for action were ones about which Trustees had previously expressed concern. They acknowledged that a shift in the culture of the organisation would be needed if the strategy was to succeed and that the pace of change achieved would be dependent on the effectiveness of the culture change.

They suggested that the language in some parts of the strategy could be reviewed. A clear and shared understanding of the skills which the organisation would need and value would need to be articulated and championed. Trustees commented that the potential changes in staffing in the UK could lead to a further voluntary exit programme at certain levels.

Trustees offered their wholehearted support for the development and implementation of the different strands of the strategy. They would offer their comments and suggestions individually to Pippa Greenslade where appropriate and she would contact individuals to follow up where necessary. The Board agreed that it would be important to have a section in the Chief Executive’s report covering progress made on the 2015 people strategy for each meeting.

8. Advisory Groups and Honorary Membership

The Board approved the proposed changes to the structure of Advisory Groups, endorsed the ongoing work to develop the English and Arts Advisory groups and approved the categories for invitations for honorary membership.

Trustees encouraged the Executive to take an approach to recruitment which would lead to the appointment of a diverse group which would bring the right guidance and challenge to the work of the British Council. Trustees were invited to suggest names for the different advisory groups to help the process.

They agreed that the terms of reference for the arts group should be slightly amended to make it clear that the function of the group was to advise the Chief Executive and the Executive and that they were advisory in nature, to avoid any subsequent misunderstanding concerning role and function. They also agreed that they would welcome the chance to be able to comment on the draft terms of reference for the Education and Society Advisory Groups, once they were prepared.

They discussed whether it would be advantageous to set up a digital media advisory group but concluded that it would be more valuable to include this capability within each of the sector specific groups. It would be critically important to make sure that people with the right skills in this area were nominated for each group and Trustees were invited to propose any suitable names to the relevant member of the Executive.

9. Corporate Plan 2012/13 targets

The Board approved the approach outlined to the development of the 2012 – 15 corporate plan, including the targets proposed. They agreed that the overall strategic direction should be maintained, including the 2014-15 targets, and that the revisions to the 2012-13 targets were appropriate in the prevailing economic climate. The Trustees congratulated the Executive on the progress made so far on the development and implementation of corporate strategy. They also agreed that the revisions to the text should articulate more prominently the organisation’s value sets. Trustees were invited to make any further comments to the Executive following the meeting; a revised text would be prepared and circulated for comment in advance of the next meeting, when Trustees would be asked to approve the revised plan for consideration by the FCO minister.

10. Status Resolution: Nepal

The Board considered a resolution to register a branch of the British Council in Nepal.

They delegated to the Chief Executive authority to approve any minor changes to the wording of the resolutions that might be required.

They confirmed that the Secretary to the British Council was authorised to sign the “Director’s Declaration” to the “Office of the Companies Registrar” on behalf of the board.

The resolution was proposed by Claire Ighodaro, seconded by Pamela Gillies and passed unanimously. The detailed resolution is attached at annex A to these minutes.

11. Any other business

There was no further business and the meeting concluded at 1310.

Summary of action points arising

Meeting of 12 July 2011

(04)2	Sector advisory group agenda item for December 2011 to include consideration of Honorary membership
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Meeting of 11 October 2011

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

Current Meeting

(06)1	Chair and Chief Exec to revert to Board with further proposal for Finance Committee
(06)2	Partnerships team to distribute to Trustees International Inspiration and Global Changemakers booklets
(06)3	Trustees to inform Chair & CE Office of forthcoming overseas visits and to discuss specific operations they would like to visit
(06)4	April 2012 English strategy agenda item to include focus on projects to maintain and develop the English and exams businesses
(06)5	Trustees to follow up with Pippa Greenslade with further input on people strategy
(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
(06)8	Trustees to submit suggestions of appropriate individuals to join advisory groups
(06)9	Draft Corporate Plan to be circulated in advance of next meeting

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Resolution of the Board of Trustees of the British Council on the status of the British Council in Nepal

It was resolved that:

- (1) a branch of the British Council in Nepal shall be established and registered under the laws of the Federal Democratic Republic of Nepal;
- (2) the address of the branch shall be British Council, PO Box 640, Lainchaur, Kathmandu, Nepal
- (3) the first Authorised Representative of the branch for the purpose of the existing Companies Act 2006 (2063) of Nepal shall be Mr. Ewan Davies:

** 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) of the Freedom of Information Act 2000.*

Address: British Council, PO Box 640, Lainchaur, Kathmandu, Nepal

- (4) the subsequent representatives shall be appointed by the Chief Executive or authority delegated from Chief Executive 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 Directors Declaration required to be made to the Office of the Companies Registrar (this is similar to the certificate of organisational information) on behalf of the board.
- (6) Mr. Ewan Davies is hereby authorised as the attorney-in-fact of the British Council in Nepal for any and all matters necessary to accomplish the establishment and operation 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, receiving notices, and the appointment of a representative of Mr. Ewan Davies as sub-attorney-in-fact. It is further resolved that a statement confirming the appointment of Mr. Ewan Davies as such attorney-in-fact shall be executed under seal of the British Council in the presence of two authorised officers.
- (7) Ms. Anju Upreti Dhakal, Mr. Narayan Chaulagain or any other attorneys associated with Pioneer Law Associates having its office at Pioneer House, 246/Sahayog Marg, Anamnagar, Kathmandu, Nepal are hereby authorised severally or jointly as the attorney-in-fact for purposes relating to the establishment of a branch (the "Branch") in Nepal under the Companies Act 2006 (2063), 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 Office of Company Registrar (the "OCR") and all documentation related thereto as the Attorney may deem necessary;
 - to appear before authorities of the Government of Nepal 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 authorisations and purposes herein.

** 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.*