

In confidence

BCB(10) 2nd meeting

Tuesday 20 April 2010

MINUTES

Present

Vernon Ellis (Chair)
Alan Buckle (Deputy Chair)
Pamela Gillies (item 6ff)
Tony Hall
Brian Hanna (by teleconf item 8ff)
Sue Hoyle
Claire Ighodaro (by teleconf)
Patrick McKenna
Raoul Shah

In attendance

Martin Davidson
Mark Robson
Cathy Stephens
John Worne
Rob Lynes (Item 6)
Leigh Gibson (Item 7)
Andy Mackay (Secretary)

1. Apologies for absence

Nihal Arthanayake and Steve Jones had sent apologies for their absence.

2. Minutes of the Board meeting of February 2010 and matters arising

Matters arising had been actioned, or were to be covered in items on the agenda for this or the following meeting. The Chair requested that, with effect from this meeting, action points should be listed separately to facilitate follow up and review.

The minutes were approved.

3. Chair's business

The Chair noted that he was attending his first meeting since being elected. He recorded his pleasure at taking up the post and reported that visits to British Council operations in Warsaw and Edinburgh, as well as extensive briefing in London, had given him the opportunity to see at first hand some of the good work that was going on. He was confident that the Board, with its strong, cohesive membership, would successfully guide the organisation to a new level of achievement.

He suggested that he would, in future, prepare Chair's notes, to be distributed with the Board papers, updating Trustees on his activities and outlining any issues for their attention. Trustees welcomed this suggestion.

4. Chief Executive's Report

Martin Davidson reported on the appointment of the new Director of Human Resources. Following the recruitment process, in which Sue Hoyle had participated, a strong candidate had been identified and had accepted the offer of the role. She would, unfortunately, be unable to take up the post until September. An interim Director would be appointed before the end of April to cover the period following the departure of Maureen Laurie. Trustees agreed that the next period would be an important one, with the launch of the new HR system, the development of the proposals for the revised global mobility package and the conclusion of the voluntary early retirement and redeployment process. Martin Davidson would report at the next meeting on follow up to redeployment.

Trustees were briefed on the disruption being caused by the ongoing suspension of air travel. Staff and visitors travelling on British Council business were stranded both in the UK and overseas. Forty authors who had been due to arrive in London for the London Book Fair, which had a focus on South Africa, were now unable to travel. Alternative arrangements for their participation, including online and radio broadcast, had been made.

The Board discussed the results of the most recent UK awareness and perception research. They would welcome further analysis of the rating for awareness of understanding of the purpose of the British Council – what respondents currently understood the purpose to be; how the score benchmarked with other organisations in both the public and private sectors; and what action would be necessary to raise the score, if this was agreed to be desirable. The Chair suggested that this analysis should be undertaken for consideration at a future meeting and requested Raoul Shah to assist the Executive in its development.

5. Organisational Performance Report

The provisional, full year, flash financial highlights for 2009/10 had just been completed and were tabled at the meeting. The results indicated financial performance in line with the targets approved by the Board in the corporate plan for the year; end of year reporting was also suggesting that all engagement and reach targets would be met.

Trustees enquired about the growth in the contracts business. Mark Robson explained that the growth was the result of a renewed focus on winning new business which was in line with the charitable purpose of the British Council. A more diversified focus, including on work with the EU, had also resulted in growth. *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**. They were assured that the potential remained strong and that they could be confident of continuing growth.

The Board congratulated the Executive on a very successful result for the year. This had been achieved despite both the serious global economic and funding challenges which the organisation had faced and the internal upheaval of the Business Transformation programme.

6. Teaching Business – strategic focus

Rob Lynes, Deputy Director Operations, outlined the British Council's overall vision for English. The goal was to reach 2 million teachers and 46 million learners by 2013, in order to raise standards for both groups. Language as a part of the education and teaching mission of the British Council's mission was perceived as a social good around the world. Wherever the British Council worked, there was a governmental expectation of support for the English language agenda.

The British Council made one global English offer, with different ways of delivering in different environments, including the provision of premium, fee-generating language centres. The Board agreed that it was important to maintain the vision of English as integral and intrinsic to the cultural relations mission. The current work to confirm full compliance with status and tax requirements in all overseas operations should be undertaken with the goal of ensuring that the integrity of the offer was not inadvertently affected.

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7. Shanghai Expo

Leigh Gibson, Director for Content and Programme, outlined to the Board the development of the UK pavilion for the Shanghai World Expo and the key role which the British Council had played at all stages since initiation of the project. This had included bringing together, coordinating and building understanding between the architects, designers, FCO and private sector sponsors. The pavilion, which was hugely ambitious, was among the first to be opened, with a soft opening happening the same day as this meeting. It was being rated as one of the three most "must see" pavilions at the site. The British Council had additionally curated the content for the pavilion and the related programme of events, at the Expo Park, in Shanghai and more broadly across China.

Trustees offered their congratulations to the team working on development of the pavilion. They agreed that this was a huge achievement in an exciting and interesting project. It offered the British Council the opportunity to demonstrate the ways in which it could successfully showcase the UK on a global stage. They welcomed the role in which the British Council had been able to bring about engagement with the project from all UK countries, as well as the opportunity which it presented to build new and more enduring relationships with private sector sponsors.

The Board discussed the impact which the project would achieve both in China and the UK. They endorsed the approach to achieving impact through the project which would continue beyond the formal end of the Expo. They suggested that the British Council should think further about ways to prepare for such showcase, global events, to make sure that the role of the organisation received appropriate profile and to create more excitement in the UK. Raoul Shah offered to advise the Executive in this.

8. Political Context and CSR Preparation

The Board noted the preparations which had been made for the government which would be elected in the general election on 6 May and for the comprehensive spending review which would probably take place in the second half of 2010.

9. Annual Report and Accounts

The Board welcomed and endorsed the approach being taken this year to the preparation of the annual report and accounts. The process was being assisted by Sue Hoyle and Raoul Shah, representing the Trustees. There would be an opportunity for all Trustees to comment on the final version draft report, and the Chair of the Audit Committee encouraged them to provide feedback at

that stage. Approval was given to the proposal made by Alan Buckle and seconded by Sue Hoyle to delegate authority to the Chair and the Chief Executive to sign the annual accounts.

10. Governance Structure and Advisory Committees

Trustees noted the progress that had been made on the status and tax project, including the establishment of some further, overseas branches of the charity and the setting up of the subsidiary entities which had been previously approved by the Board.

The Board welcomed the clear explanation of the current country committee and advisory group structure. They agreed that they would take the opportunity to review the structure once they had agreed the future strategic direction of the organisation. They noted the importance of the advisory group structure for the development and maintenance of key relationships with specialists in the different sectors. They agreed that they should consider mechanisms to bring together the Chairs of the different groups with Trustees, possibly on an annual basis.

11. Delegated Authorities from the Board to the Chief Executive

Trustees approved the proposed delegated authorities to the Chief Executive and delegated authority to the Chair to sign the letter of delegation.

12. Logica Contract Variation

The Board approved the amendment to the IT infrastructure contract with Logica and delegated authority to the Chief Executive to sign the amendment to the contract.

13. Madrid Premises Project

The Board of Trustees approved the investment in the redevelopment of the Madrid city centre estate, pending approval from the FCO investment committee.

14. Any other business

Status and tax: Kazakhstan

Vernon Ellis proposed a resolution to approve amendments to the Regulations of the British Council (Kazakhstan) Branch. The resolution was seconded by Raoul Shah and was unanimously approved.

Closed Session

The meeting concluded with a closed session for the Trustees with the Chief Executive, followed by a closed session for the Trustees. The Trustees agreed to seek previous approval from the Foreign Secretary for a three year renewal of the contract of the Chief Executive. At the forthcoming Remuneration Committee meeting, the Committee would agree with the Chief Executive his targets and quantifiable success criteria for the three year period.

Summary of action points arising

1.	Secretary to circulate to Trustees response to Foreign Affairs Committee report on British Council for 2008/9.
2.	May Board meeting agenda to include an item giving a strategic focus on the examinations business.
3.	Chief Executive to update Trustees on conclusion to VER and redeployment exercises at May meeting.
4.	John Worne and Raoul Shah to report to the Board on challenges to address in building the

	image of the British Council in the UK.
5.	Board meeting agenda for July to focus on strategic narrative and its development.
6.	Board agenda for a meeting in late 2010 to include an item focussing on audience.
7.	Board agenda to include an item on advisory groups following agreement of long term strategy.

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** Enquiries regarding the redacted information contained within this document should be directed to the Freedom of Information Officer, British Council, 10 Spring Gardens, London SW1A 2BN (foibritishcouncil.org)*