Commercial Committee

Terms of reference

Approved by the Board of Trustees on 14 December 2021

Constitution

1. The Board of Trustees (‘the Board’) of the British Council has established a Committee of the Board to be known as the Commercial Committee (‘the Committee’).

Role and responsibilities

2. On behalf of the Board of Trustees the Commercial Committee oversees the British Council’s charitable activities undertaken on a commercial basis to ensure that the management of those activities is effective, transparent and in line with corporate objectives. The Commercial Committee’s responsibilities relate to the British Council group as a whole.

3. The Commercial Committee’s focus is on the management of strategic issues relating to the areas of English teaching and examinations. The Commercial Committee is not responsible for the operational management of these areas.

4. The Commercial Committee will:
   a. advise the Board of Trustees on investment, access to financing, legal structures, remuneration and talent management required to support the British Council’s commercial activities;
   b. support the Senior Leadership Team in thinking about overall and specific new British Council funding opportunities and the long-term optimal balance between grant, partnership, commercial and other funding; and
   c. support the British Council’s executive to define the strategic direction for the British Council’s activities undertaken on a commercial basis and provide oversight for the management and delivery of these activities, ensuring that the management and delivery are effective, transparent and in line with corporate objectives.
Authority

5. In relation to the British Council’s commercial activities, the Commercial Committee is authorised:
   a. to seek any information it requires from any employee of the British Council group in order to perform its duties,
   b. to call any employee to a meeting as and when requested,
   c. to have full access to any third party advisor it may request.

Membership and attendees

6. All members of the Commercial Committee shall be appointed by the Board of Trustees.
7. The Commercial Committee shall comprise at least three members of whom at least two (including the Chair) shall be Trustees of the British Council.
8. Subject to the Board of Trustees’ approval of the appointments, the Commercial Committee may co-opt up to two independent members to provide specialist skills, knowledge and experience. Co-opted members may serve a term of up to three years, renewable once.
9. If the Chair of the Commercial Committee is unable to attend a meeting, he/she may nominate another Trustee on the Commercial Committee to chair that meeting.
10. The members of the Commercial Committee shall be selected such that the Commercial Committee as a whole has a broad range of skills and experience commensurate to its responsibilities.
11. The members will be independent of management and free from any factor which might interfere with the exercise of independent judgement.
12. Where possible without compromise to the balance of skills, the composition of the Commercial Committee should be diverse.
13. Commercial Committee meetings will normally be attended by the British Council’s Chief Executive, Chief Financial Officer and Director English and Examinations. Other staff may attend subject to the agreement of the Chair of the Commercial Committee. The Commercial Committee may ask any other officials of the British Council to attend to assist it with its discussions on any particular matter.
14. The Commercial Committee may ask attendees who are not members to withdraw to facilitate open and frank discussion of particular matters.

Conflicts of interest

15. All members must act solely in the interests of furthering the charitable objectives of the British Council for public benefit.
16. The conflicts of interest of members, including any co-opted members, shall be declared and managed in line with the procedure for Trustees set out in clauses 13 to 17 of the Royal Charter.

Quorum and frequency of meetings

17. The quorum will be two members of whom at least one must be a Trustee.
18. The Commercial Committee will meet regularly and normally six times a year. The Chair may call an additional meeting at any time.
Secretary

19. The Commercial Committee’s secretary shall be the Secretary to the Board of Trustees of the British Council or another member of British Council staff as agreed by the Secretary to the Board of Trustees and the Chair of the Commercial Committee.

Minutes of meetings

20. The secretary shall take minutes of all Commercial Committee meetings.
21. Draft minutes shall be circulated promptly to the Chair for initial review prior to circulation as a draft to the Board of Trustees. The minutes shall be submitted for approval at the next meeting of the Commercial Committee.
22. Once approved the minutes shall be retained as part of the organisation’s records.

Reporting

23. The Chair of the Committee, or in their absence another Trustee member, shall report to the Board at the next Board meeting.
24. The Commercial Committee’s effectiveness shall be considered as part of the externally facilitated Board effectiveness reviews.
25. The Chair of the Commercial Committee has direct access to report to the Chairman of the Board as required.

Review of the terms of reference

26. The Commercial Committee shall review its terms of reference annually and submit any proposed changes to the Board for approval.