

CORPORATE PLAN

2013–2015

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Foreword

I am pleased to present the British Council Corporate Plan for 2013–15.

2012 was a wonderful year for the UK on the world stage and one which elevated the UK in external surveys to the world's foremost soft power. The challenge for the British Council over the next two years and beyond is to build on this legacy. We remain deeply committed to supporting the UK's long-term prosperity and influence by ensuring that it remains among the world's favourite countries for language, education and culture, and a magnet for those wanting to travel, study and do business internationally.

Work is already underway. We have launched a four-year UK–Brazil arts and cultural festival to strengthen the relationship between our two countries in the run up to the 2016 Rio Games. Following the success of our arts festival in China last year we are planning showcase events to raise the profile of the UK in Vietnam and Qatar in 2013; Russia and South Africa in 2014; and Nigeria in 2015. We will continue to support the UK government's GREAT campaign to promote the UK internationally. Building on our Olympics experience, we will work with, among others, the Glasgow 2014 Commonwealth Games and the 2013 Derry-Londonderry UK City of Culture festival to promote major national events globally. To meet the ever-increasing worldwide demand for quality English and UK qualifications, we are launching innovative new exams products and education and English language services.

This Corporate Plan does not set out a new strategy or radical change in direction, but reconfirms the track we are on. It makes adjustments to our plans in the light of the changing global environment and recommits us to achieving specific aims and targets by 2015 – these have been updated but not fundamentally changed since we first set them in 2011. We are committed to playing our part in supporting the UK's prosperity, security and international development priorities

For the next two years we will maintain or increase our targets for impact and activity. Our English and examinations business will continue to target ambitious income growth, though we have reduced the income target for our contract work given the tough economic environment. Overall we aim to maintain the scale of our ambition and our growth strategy against a backdrop of reducing core UK government funding and a difficult financial climate. By the end of the four-year period covered by our original 2011–15 plan we aim to increase our annual turnover by over 30 per cent to well over £900 million.

Our ability to grow, even in difficult times, comes from our commitment to being an entrepreneurial public service. We are a public service organisation backed by Royal Charter with an income earning culture. Operating in this way means continuing to become faster-paced, more ambitious, leaner and more entrepreneurial. Thirty years ago we operated in 79 countries, working face-to-face with fewer than 400,000 people. Today we are in 110 countries, working face-to-face with over 12 million people. Our turnover, expressed at current prices, has more than doubled in that time. Our grant as a percentage



of turnover has fallen from 40 per cent in 1980–81 to 23 per cent in 2012–13 and will fall below 20 per cent by 2015. We believe that the more innovative and entrepreneurial we can be in the way we partner and develop paid-for services, the more lasting value we can create for the UK and for the countries where we work.

When we talk about partnering we mean working with global brands such as Microsoft, HSBC, the Premier League and Nokia to create opportunities for people worldwide and build trust between them. We also mean working with the best of the UK's cultural and educational institutions, businesses and brands to expand the UK's cultural and educational contribution to the world. Some of this is through sharing UK expertise and opportunities in emerging markets. Some of it is keeping the UK's position as a destination and partner of choice for talent and creativity in developed economies. Some of it is making a difference in fragile and post-conflict states and developing countries.

We also have a job to do at home. Too few people in the UK – especially young people – have the language skills, confidence or practical support to take advantage of international opportunities. We know that the experience of studying, working or volunteering overseas is vital to job prospects and to the success of our economy. We will continue to drive for more language learning and greater participation in international programmes for the UK's young people and help equip them to seize life-changing opportunities.

Over the next two years, as we begin to look forward to 2020, we will continue to ask ourselves how we can do more. Being an entrepreneurial public service means constantly asking how we can work for the UK at a larger scale – a scale which is meaningful in today's world. It also means being realistic about the crucial role of our core public funding in fulfilling our commitments for the UK in countries where we cannot earn income.

But above all, being an entrepreneurial public service means that when we decide which of the myriad opportunities for UK education and culture to take forward we are always driven by our core purpose: building trust between the people of the UK and other countries. It is not enough that an opportunity generate incomes, it must first and foremost serve that core purpose. Our passion for cultural relations is what attracts our customers, stakeholders and partners to work with us. It is that passion which will drive us to achieve even more as we build on the legacy of 2012 both in the UK and around the world.

Martin Davidson CMC

Chief Executive
British Council

1. Plan and priorities for 2015

2015

In 2015 the British Council will be recognised as the UK's international organisation for educational opportunities and cultural relations, as we have been since we were founded. Our public service ethos and charitable purpose have not changed in all that time, but the scale of our impact for the UK and our entrepreneurial approach are now very different. Thanks to this shift the people of the UK will be sharing culture and ways of living with millions of people, thousands of institutions and hundreds of partners in over 100 countries all around the world.

We will maintain our worldwide network of presence and expertise for the UK, giving priority to those countries of importance to the UK and those where we can achieve a significant impact. We now have leaner, lighter operations in many countries, making more use of digital services and of partner, UK government, and serviced office spaces.

We aim to do more through new partnerships, through the partnerships we have already developed and through international education and development contracts. More of our UK government grant-funded work will be in developing countries, in some of the world's poorest countries as well as in rapidly developing and post-conflict environments.

Our English and examinations work is attracting more paying customers than ever, at the same time as we seek to bring high quality digital English services to every learner or teacher that wants them. We will continue to work with state and federal governments around the world to help them transform their education systems and increase opportunity and employability through English and UK qualifications.

Our high profile work in the arts, education and society will help hundreds of millions of people worldwide to learn about and experience creativity and excellence from the UK.

Thousands of policy makers, academics, researchers, artists, sportspeople, scientists, curators, creative entrepreneurs, heads and classroom teachers work directly with us and with their counterparts in the UK. They will continue to develop policy, professional standards and participation in English, the arts, education and civil society – creating new opportunities and possibilities for the UK and for their own societies.

We are aiming for major income growth. Total turnover will increase from £693 million in 2010–11 to £914 million in 2015 – an ambitious growth target of 32 per cent, particularly given the reduction in our UK government grant. Earned income will go up over the same period from 73 per cent to over 80 per cent of turnover.

Our priorities for the next two years are to:

- accelerate the development of new services and products
- increase our income and impact
- become even better value for money.

By 2015 we will have developed a range of new services and products in the following areas:

- support for the development and enhancement of public education systems
- English for skills in a variety of sectors
- English for academic purposes
- skills development in the arts and cultural sectors
- bilateral schools work
- youth and civil society.

To support the development of new services and products we will:

- increase investment in English, so that the UK is able to offer more learning opportunities, especially through, for example, blended learning (mixing face-to-face and digital methods) and extending available qualifications
- work with UK partners to create new opportunities by sharing market analysis and developing a joint response to the needs which we have identified and with partners overseas to deliver products and services
- invest significantly in our digital platform, content and services.

By 2015 we will achieve our targets for scale, quality and impact and we will have an annual turnover of £900 million. To do this we will:

- bring a new mix of innovative services and programmes with UK partners to rapidly expanding markets in high growth economies
- extend our range of English teaching services and give greater access to UK qualifications for both young and adult learners
- expand our teaching and examinations operations in critical markets using available surpluses from income earning activity
- respond to demands from new governments in North Africa and from governments across the developing world to work under contract with them and with other UK partners to transform English teaching in schools and in higher education
- inspire, educate and teach English through high quality digital and broadcast material; expand face-to-face activity, events and exhibitions work and increase participation overall by ten per cent
- do even more in partnership and through contracts with governments, donors, corporations and foundations, for a much greater impact than we could achieve alone.

By 2015 government grant will be less than 20 per cent of our turnover and we will have a more effective infrastructure accounting for under 15 per cent of our total spend. To do this we will:

- maintain impact and presence for the UK in developed countries, despite the reduction in government grant, by increasing volumes and surpluses in our paid for services
- continue our programme to increase efficiency and to re-shape our overseas network; we will make further savings and cuts of £30 million on our grant-funded work in the UK and overseas over the next two years, bringing the total to £70 million grant savings annually by 2015
- invest in developing our IT and finance platforms and capability to support growth and innovation and to provide global support services ever more cost effectively
- fund this investment from surpluses from income earning activity – by 2015, some of the surplus will also be used to cover some of the costs of operational programmes.

To achieve these goals we will also:

- continue to develop the professional expertise of our staff in the arts, English and education and society and in areas which support growth such as digital, commercial partnering and business development
- invest to develop our staff and attract talented new people to work with us globally. As well as hiring more expertise in particular sectors we are also investing for the long term with new graduate and intern recruitment programmes
- develop our global teams which draw on the talent and expertise of all our people worldwide
- continue to be a diverse organisation that strives to reflect the UK today, is skilled in engaging with different cultures and follows best practice in equal opportunities and diversity
- uphold the British Council's values of valuing people, integrity, mutuality, creativity and professionalism.

Our passion for cultural relations is what attracts our customers, stakeholders and partners to work with us. It is that passion which will drive us to achieve even more by 2015, both in the UK and around the world.

We will work towards the following outcomes up to 2015:

The British Council creates international opportunities for the people of the UK and other countries and builds trust between them worldwide.

Arts	New ways of connecting with and understanding each other through the arts.
English	More widespread and better quality teaching, learning and assessment of English worldwide.
Education and society	Enhanced UK leadership of, and shared learning from, international education. Societies whose young people, citizens and institutions contribute to and benefit from a more inclusive, open and prosperous world.

For each of our programmes and services we set out the expected long-term difference that we intend each one to make. These then combine to result in the high level outcomes in arts, English and education and society above.

By 2015 we will be working with:

12 MILLION leaders, teachers and other influencers, exam candidates, English teaching centre students and participants face-to-face.

NINE MILLION exhibition, festival, fair and performance visitors.

100 MILLION digital customers and website users.

500 MILLION viewers, listeners and readers.

Between 2013 and 2015, we aim to achieve steady growth in the number of people we work with across all our activities.

2. Arts

New ways of connecting with and understanding each other through the arts.

We will:

- share the best of the UK's culture overseas at major international events
- work with and alongside the UK's arts and creative industries to develop sustainable international partnerships contributing to more connected and prosperous societies
- work with other countries to help them build skills and capacity, encouraging artists and creative entrepreneurs to benefit from everything that creativity has to offer
- demonstrate, in all that we do, the connections and interdependencies between the arts, the new creative industries and the cultural economy
- champion and exploit the latest in digital technology to achieve a richer programme, greater impact and wider participation

We will achieve these goals by promoting excellence, diversity and innovation.

We achieve impact in arts through:

- the exchange of new and challenging ideas
- the expression and sharing of emotions
- the exploration of difficult issues
- the increased understanding of diversity and other people's cultures
- the realisation, through exchange, of individual creative potential.

By 2014–15 we will be working annually with:

ONE MILLION artists, cultural leaders and ministers.

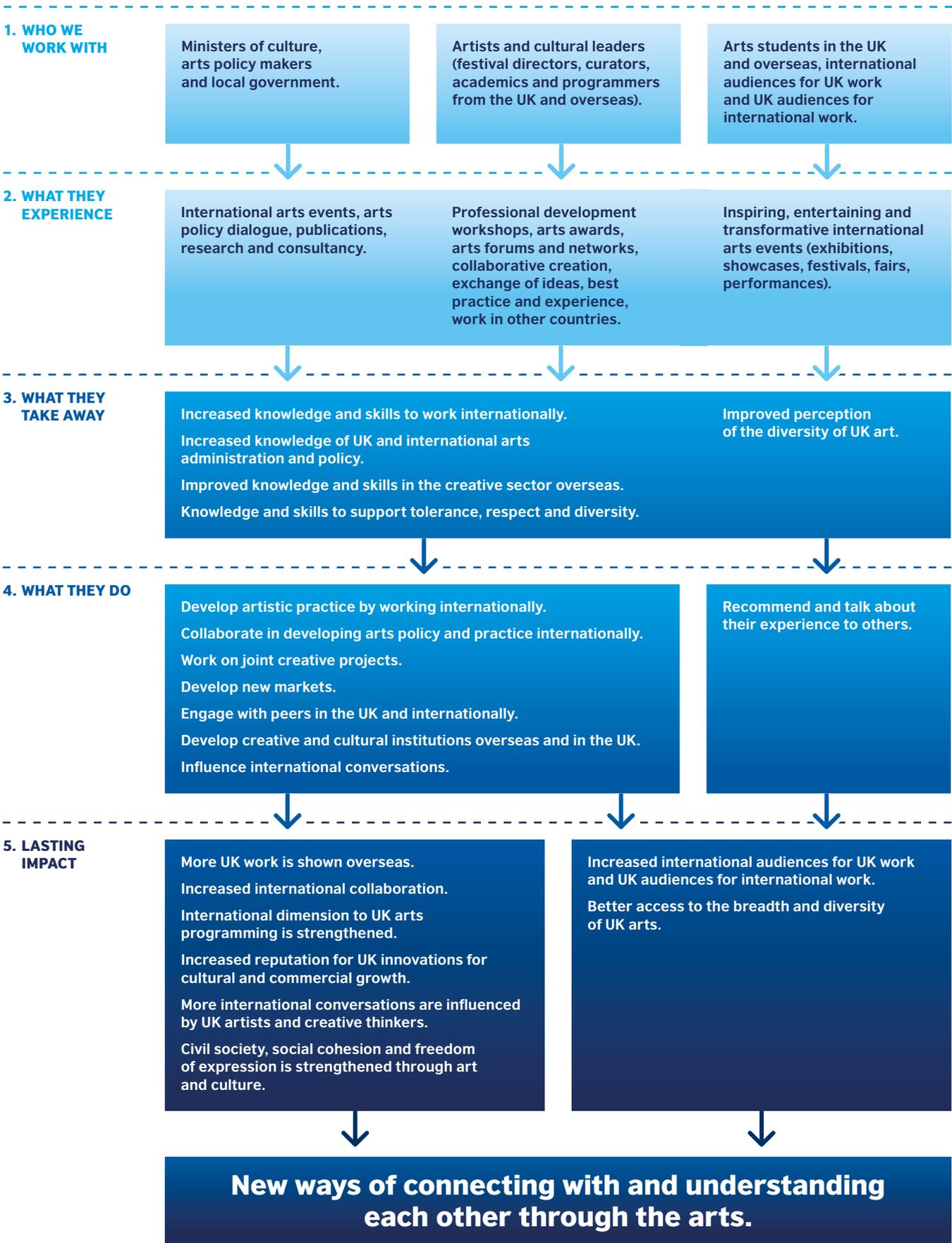
THREE QUARTERS OF A MILLION artists and participants in online communities.

Well in excess of **ONE HUNDRED MILLION** viewers, listeners and readers.

MORE THAN TEN MILLION exhibition, festival, event and performance attendees.

OVER SIX MILLION website users.

How we achieve impact in the arts



3. English

More widespread and better quality teaching, learning and assessment of English worldwide.

We provide people worldwide with greater access to the life-changing opportunities that come from learning English and gaining valuable UK qualifications.

We will:

- improve the quality of English teaching in schools worldwide, supporting effective English language teaching policy and English teacher development, in collaboration with education ministries and donors
- support the English language needs of students and teachers in international further and higher education systems
- expand our range of self-access English language learning products offered through the internet and mobile technology, as well as through print and broadcast media
- invest in and expand our global network of high quality English teaching centres
- through our teaching network and self-access learning, increase the number of people learning English with us by 27 per cent over two years
- continue to develop our award winning digital learning content, using the UK's vibrant culture as an aid to language learning
- continue to promote the UK as an English language learning destination
- increase access to effective English assessment, to support the learning of English worldwide
- give greater access worldwide to UK school and professional qualifications
- overall, increase the number of people taking UK qualifications with us by 50 per cent
- continue to invest in our high-performing British Council bilingual, bicultural primary and secondary school in Madrid.

By 2014–15 we will be working annually with:

HALF A MILLION policy makers and ministers, teachers and coaches.

OVER HALF A MILLION learners in teaching centre classes.

TENS OF MILLIONS of website users.

OVER FIVE MILLION teachers and learners in online communities.

MORE THAN THREE MILLION exams candidates.

TENS OF MILLIONS of viewers, listeners and readers.

How we achieve impact in English



4. Education and society

Enhanced UK leadership of, and shared learning from, international education.

Societies whose young people, citizens and institutions contribute to and benefit from a more inclusive, open and prosperous world.

We will:

- focus on internationalising higher education, supporting the UK's position at the heart of thought leadership and creating new opportunities for collaboration and exchange between governments, higher education institutions, researchers and businesses in the UK and around the world
- support school leaders and policy makers in the UK and overseas to improve quality and attainment levels through professional development, policy and curriculum reform, award schemes such as the International Schools Award, and technically assisted learning
- increase the international outlook, voice and leadership potential of young people through our youth and alumni networks, enabling them to shape global and local agendas
- contribute to ensuring secure and stable societies, in which growing numbers of young people can prosper, by supporting governance reform and providing opportunities for the development of skills for employment and enterprise
- expand our partnership working across the private, public and third sectors to develop, deliver and fund programmes in the UK and internationally
- work more through digital channels and by building relationships with existing and new clients to increase our impact in education and society and increase our turnover from client-funded contracts and services.

By 2014–15 we will be working annually with:

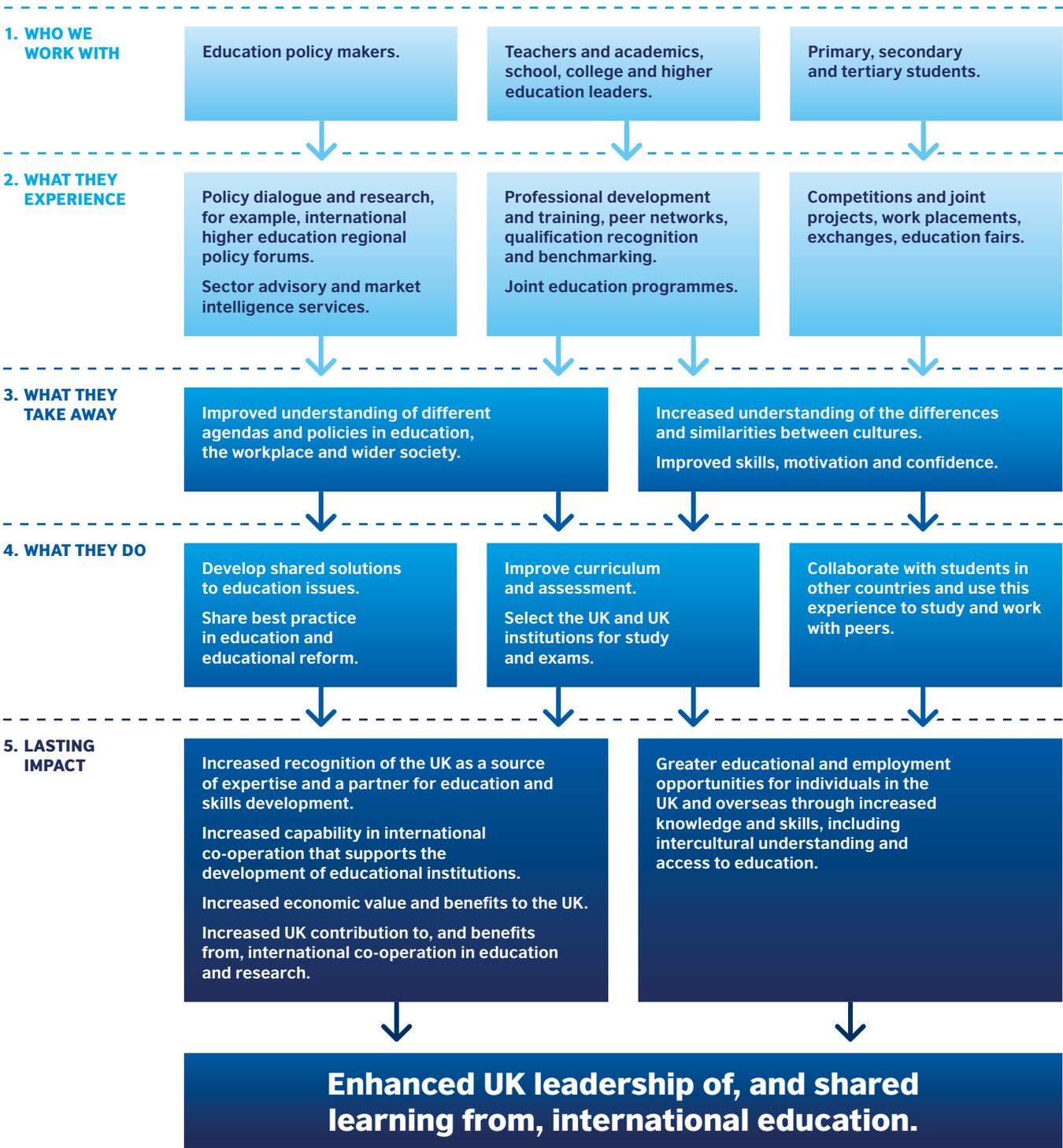
MORE THAN TWO MILLION education ministers, teachers, academics and education and youth sector leaders.

OVER FIVE MILLION teachers, academics, college and higher education leaders in online communities.

ONE AND A HALF MILLION education and citizenship exhibition and fair attendees.

TENS OF MILLIONS of website users.

How we achieve impact in education



How we achieve impact in society

1. WHO WE WORK WITH

UK and overseas youth sector organisations, youth-led bodies and a wide range of policy makers.

Community leaders, non-governmental and community-based organisations, social enterprises, volunteers and youth audiences.

Government and institutions including leaders, policy makers, representatives of civil society and business.

2. WHAT THEY EXPERIENCE

Youth policy, round tables and symposia, dialogues, social media networking.

Volunteering, training coaching, mentoring and exchanges.

Capacity building including skills, policy and leadership.

Open dialogues, exchange of experience.

3. WHAT THEY TAKE AWAY

Leadership and intercultural skills which support social cohesion and employment.

Improved understanding of different policy agenda and processes.

Knowledge and tools to support collaboration and dialogue.

New skills and more confidence through volunteering, training, coaching, mentoring and exchanges.

Increased understanding and capabilities in judicial, social and government reform.

Tools for voice and engagement, such as advocacy and policy dialogue.

Knowledge and skills from UK and international experience.

4. WHAT THEY DO

Engage with peers in the UK and other countries and with relevant partners and policy makers on local and global issues.

Articulate youth voice, influence policy and showcase good practice.

Participate by supporting community development and social cohesion.

Develop new policy and practice, laws and regulations.

Build stronger institutions and new communities of practice.

Build more effective civil society organisations.

Share experience and capability to advocate and represent citizen needs effectively.

5. LASTING IMPACT

Innovative national, regional and global collaborative networks created with and led by youth bodies and young professionals in the UK and overseas.

Better integrated communities with active engagement of civil society and social enterprise.

Improved knowledge of the UK resource.

Open and accountable government and institutions, actively engaged with civil society.

Recognition of UK as a source of expertise and an effective partner for supporting open dialogue and positive reform.

Stronger civil society capability that draws on international experience.

Societies whose young people, citizens and institutions contribute to and benefit from a more inclusive, open and prosperous world.

5. Programmes and activities

Arts, English and education and society working together

Over the next two years we will look for innovative ways to bring together our arts, English, education and society work to create maximum impact, as we did for the 2012 Olympic and Paralympic Games. Using the inspirational power of the Games as a focal point, we involved young people all around the world last year in making international connections through school links, through participation in Cultural Olympiad arts events and through new English language learning materials linked to the Games.

We will build on this experience to involve people from the UK and around the world in cultural and educational activities to mark forthcoming major anniversaries and national events. These will include the Glasgow 2014 Commonwealth Games, the 2014–18 First World War Centenary and the anniversaries of Shakespeare's birth in 2014 and death in 2016.

Our flagship education programme for the Commonwealth Games will be a large-scale schools linking project, modelled on the schools partnerships we developed with the BBC for London 2012 and run with the BBC and the Commonwealth Secretariat. Through the Games, we aim to inspire 17 million school children across the ten largest Commonwealth countries to consider Commonwealth values and what it means to be a citizen of a Commonwealth country today.

We are also planning arts projects as part of the cultural programme to celebrate the Games. In partnership with Creative Scotland and Arts Council England we will support the new Music Biennial being held by the PRS for Music Foundation. With the National Galleries of Scotland, Creative Scotland and Glasgow Life we will support a project to celebrate Scottish visual arts of the last 25 years. This will be exhibited in galleries across Scotland before we tour a selection overseas.

Further contributions to the Games and to other anniversaries and events are already being planned and will also involve a mix of educational and arts activities as well as the development of new resources for English language teaching.

We will also continue to be a major participant in the UK government's GREAT campaign, which has now been extended to 2015. This cross-government initiative aims to use the London 2012 legacy to encourage people around the world to visit the UK and do business here. We will support higher education, arts and English language campaigns in specific countries and lead on student recruitment.

Sport, science and sustainable development

These are themes that make an important contribution to what we do, helping us to build bridges and reach people, often in difficult environments. Through them we can show the UK's strengths, increase the UK's standing and attract partners to work with us.

Sport plays a natural role in cultural relations – all countries value it, it transcends many of the things that divide us and it provides a simple, practical way of bringing people together and building their skills and confidence.

All of our work in sport will be done in partnership. With partners, we will work on policy reform, professional development and capacity building. We will provide training for coaches, teachers and young people and support the development of community and education networks. With the Premier League we will explore how we can build upon our Premier Skills programme to promote community development and help young people develop life skills and learn English through the medium of football. With our partners, UNICEF and UK Sport, we will continue to run International Inspiration, which was the international sport legacy programme of the London 2012 Olympic and Paralympic Games. This programme has already met its target of enriching the lives of over 12 million young people around the world through the power of sport and is now aiming to reach even more.

In science, we support policy discussion and new partnerships for research and innovation between the higher education sector, government and business communities. For example, through the UK–India Education and Research Initiative, a multi-stakeholder programme, we will continue to support new and sustainable partnerships between UK and Indian higher education institutions, including in the area of research and innovation. This initiative will also encourage and support the development of two 'Innovation Universities' in India.

We will help early career researchers, especially in emerging scientific nations, to build their communication skills and international careers and will develop mutually beneficial links between them and the UK. We will continue to work in the area of public engagement in science, supporting international networks of talented science communicators and helping them to inspire the next generation of scientists and engineers. This work will build on initiatives such as FameLab International. Created by Cheltenham Festivals, FameLab® gives young scientists three minutes to entertain and engage a live audience. It is now run in partnership with the British Council and national partners in over 23 countries. We will nurture future scientists and engineers by introducing more science and technology themes into our schools programmes, building on the UK's reputation for excellence in communicating science.

Working with universities, governments and learned societies, such as the Royal Society, we draw on the UK's leading expertise to provide content on sustainable development for our education and society programmes. For our Climate4Classrooms programme, for example, we work with the Royal Geographical Society and the Royal Meteorological Society to develop materials for our Schools Online portal.

Summary of our main programmes and activity for 2013–14

London 2012 Legacy	Building on the success of 2012, we will play our part in celebrating forthcoming anniversaries and major national events including the Glasgow 2014 Commonwealth Games, the 2014–18 First World War Centenary and the Shakespeare anniversaries in 2014 and 2016.
Arts	
Showcase events	High profile showcases of new work and collaboration, skills development and residency programmes, including seasons of art and culture between the UK and Qatar in 2013; the UK and Russia in 2014; and the UK and South Africa from 2014 onwards.
UK–Brazil Transform 2012–16	Bridging the London 2012 and Rio 2016 Olympics, Transform will reinvigorate arts work between Brazil and the UK and create foundations for a permanently strengthened relationship between the two countries.
The British Council Collection	Updating our Collection with new works so that it continues to reflect the best of contemporary UK art. Creating greater access to the Collection for more institutions in the UK and overseas, through a new partnership with the Arts Council Collection. Launch of a series of exhibitions to reach extensive new audiences worldwide.
Creative economy	A refreshed programme to form connections between the rapidly growing creative industries sector in the UK and overseas and maximise benefit for the UK from our vibrant creative economy.
English	
UK examinations	Providing access to English language and other UK qualifications worldwide.
English for public education systems	Supporting both the development of English language learning and teaching, and the use of English to teach subjects across the curriculum, in schools and further and higher education institutions. Through research, consultancy, collaboration with policy makers, curriculum development and teacher training programmes we will help strengthen the quality of English language teaching and the understanding of language in cultural relations and development.
Face-to-face and blended English	Providing over 400,000 individual and group learners of English with a range of face-to-face and blended courses, both through partners and in our 80 plus centres worldwide.
English for self-access learners	Providing courseware, online, mobile, broadcast and print resources for learners to improve their English through any channel, as well as global online training resources for teachers of English.
Education and society	
Schools	
Schools programme	Increasing attainment levels in schools through policy and curriculum reform, professional development, school links, accreditation and technology-assisted learning. Schools Online, our digital platform, will support this.
International development contracts	Supporting the development of schools through policy reform, teacher training and curriculum development.
Comenius	Developing the skills of young people and education professionals and strengthening their knowledge and understanding of the diversity of European cultures and languages (EC-funded).
International higher education	
British Council Services for International Education Marketing	Our exclusive service for UK education providers in support of their international education strategies.

Education Intelligence	Research and client-funded services on global, regional and country trends in higher education.
Going Global	Shaping the global higher education agenda through thought leadership and global policy dialogues including an annual summit, Going Global.
Knowledge Economy Partnerships	Facilitating and supporting international research collaboration and global partnerships between governments, universities and business.
Students and alumni	Leading and innovating in global student mobility and building on international experience.
UK–India Education and Research Initiative	Brings universities, businesses and governments together to promote research and innovation, provides opportunities for professional and leadership development of higher education institutions, vocational institutions and schools and develops programmes for student mobility and skills development.
Erasmus	EC-funded programme to support higher education student mobility to prepare students for the labour market.
Scholarship contracts	A range of contracts which support student mobility, international education and development.
Skills	
Skills for Employability	Supporting skills development and addressing labour market demands and learner needs, particularly in countries with large populations of young people.
Skills for Social Entrepreneurs	Supporting new employment, growth and development in social enterprise, particularly in emerging and developing countries.
International development contracts	Working with the higher and further education communities to help improve employment prospects for young people and increase employer involvement in tertiary education.
Youth and society	
Next Generation Networks	A worldwide network of young social entrepreneurs, community leaders and influencers working together to create positive changes in their lives, their communities and the world.
International Inspiration	Working with London 2012 partners to leave a lasting international legacy by strengthening and improving access to sport in countries around the world, building the skills and confidence in young people to improve their own lives.
Premier Skills	Partnership with the English Premier League using football to develop life skills for young people, English language learning and community coaching.
Youth In Action	An EC-funded programme supporting active European citizenship, skills development and cultural understanding among young Europeans.
Governance and society	
Active Citizens	Supporting more cohesive communities and more effective civil society by working with civil society organisations and their leaders to help them innovate, be accountable, and gain access to UK and international experience.
Springboard	Providing personal development opportunities for women in the Middle East.
International development contracts	Support for poverty reduction, economic growth, access to justice, and social and economic empowerment, especially in Africa and South Asia.

6. United Kingdom

The hugely successful Olympics, Paralympics, cultural Olympiad and Diamond Jubilee celebrations have given the UK a tremendous boost on the world stage. The UK's cultural standing has been greatly enhanced and perceptions of our world-class cultural and educational institutions and open, welcoming and successfully diverse population have been refreshed and updated.

There is much to build on in the next few years. British Council research shows that interest in visiting, studying and doing business in the UK is up. The UK's soft power – the power of cultural attraction – has never been more highly regarded and the global demand for English, UK education and arts greatly exceeds the UK's capacity to respond to it.

All four UK governments continue to place great importance on the economic benefit to the UK from international opportunities and on investing in international experience for young people. At the same time, international opportunities and the scope for partnerships for UK cultural and educational institutions to share UK expertise and creative content are strong and growing.

Looking ahead to 2015, we are confident that we can build on the legacy of 2012 by creating more international opportunities for the UK's young people, for our vibrant education and culture sectors and for the UK as the home of the English language.

Building on the legacy of 2012

- We will continue to be a major participant in the UK government's GREAT campaign which aims to support economic growth by highlighting internationally the best of what the UK has to offer. In particular we will lead on student recruitment by encouraging and supporting international students, especially those from emerging economies, to study in the UK.
- Building on our London 2012 experience, we will involve people, brands and cultural institutions from the UK and around the world in events and activities to mark forthcoming major anniversaries and national events. These will include:
 - Derry-Londonderry UK City of Culture 2013
 - Edinburgh Festivals 2013 and 2014
 - WOMEX (World Music Expo) in Cardiff in 2013
 - Benjamin Britten Centenary 2013
 - Glasgow Commonwealth Games 2014
 - Dylan Thomas Centenary 2014
 - First World War Centenary 2014–18
 - Shakespeare 400 in 2014 and 2016.

Internationalising the UK's young people

- We will continue to work with UK schools, through a range of programmes, to give more UK pupils a greater awareness of the world and of the international opportunities that exist for them.
- We will promote international study opportunities for the UK's young people, for example through the EC-funded Erasmus programme.
- We will help young people to develop the language skills they need to access international opportunities, for example through our foreign languages assistant scheme, which places native language speakers in UK schools.

Supporting UK higher education

- We are now working with every university throughout the UK. We will continue our focus on internationalising higher education, working with UK partners on international education activities such as partnership development, student recruitment, student mobility, curriculum development, educational quality assurance and international market intelligence.
- We will work to develop more research links between early stage researchers in the UK and overseas, supporting them to form long lasting collaborations.
- Our annual Going Global conference will remain the sector's leading international higher education policy forum, with UK institutions at its heart.

Promoting the UK as an English language learning destination

- We will continue to support UK-based English language providers to enrol hundreds of thousands of English language students each year. Our provision of UK examinations and qualifications is worth tens of millions of pounds in export earnings for UK examinations boards.
- We will continue to enhance the UK's position and convening power as the world leader for quality English.
- We will develop new digital and face-to-face materials for learners of English worldwide which stimulate their interest in the UK as well as giving them the English language skills they need for employability.

Bringing top UK contemporary art to international audiences

- We will work with our arts network worldwide through major international arts seasons such as those planned for Brazil (Transform) in 2012–16; Qatar in 2013; and South Africa and Russia in 2014, to involve the best UK partners, sponsors, investors and participants and create maximum impact from those seasons in the UK.
- We will present the UK's diversity at major international cultural events and respond to the fact that the arts are a priority for our top stakeholders in all four UK countries.

7. Global network

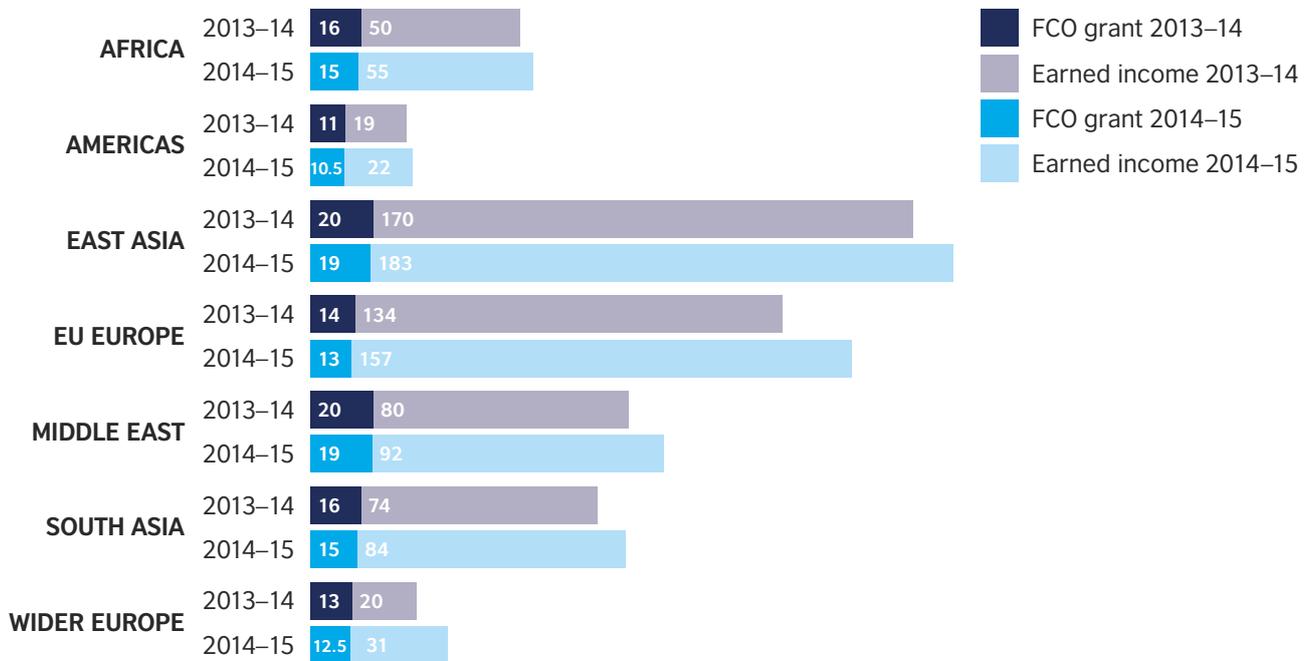
Over the last 30 years we have expanded our global network from 79 to 110 countries. Being on the ground is at the heart of everything we do and we are deeply committed to maintaining this worldwide presence. Although we recognise that building trust takes staying power, we will continue to change and develop the network where necessary, in response to new international priorities and the availability of funding. This will mean opening new operations and teaching centres and, occasionally, making the difficult decision to close smaller ones.

Within each region we have identified priority countries, which are highlighted in bold in the following pages of this plan, and which benefit from more resources and a wider range of activity. Priority is determined by a country's importance to the UK, the potential for us to make an impact there and business feasibility. Emerging economies such as China, India, Brazil, Mexico, Turkey, Indonesia, Vietnam and Nigeria continue to be high priority. We will also focus on countries in the Middle East and North Africa currently experiencing profound change and continue to seek to make a difference in challenging environments such as Afghanistan and Pakistan. Our work in English, in particular, is expanding right across the network and through English we will be reconsidering how we can expand our impact in Latin America.

To ensure the future of our network, we will continue to find more flexible ways of operating with fewer fixed costs. For many years our policy has been to move from owned to rented premises, which gives us a much greater flexibility to change in size or location. In some places we will take this further by leaving branded premises and moving to lower cost options in serviced office space or co-locating with the Foreign and Commonwealth Office, other partners or analogue organisations. In some regions we now have a number of country operations with local rather than UK country directors, managed from a central country hub. For example, our hub in Poland oversees our operations in Bulgaria, Latvia, Lithuania and Estonia. Technology will enable us to create 'smarter' working environments and to develop truly global teams so that we can make cost-effective use of expertise wherever it is located. Globally, finance and IT support will largely be provided by our shared services centre in India. We will continue to seek partners to work with us globally, in the UK and locally as we develop and implement new programmes.

Over the next two years the reducing government grant means that we will cut grant funding of the overseas network by £18 million. At the same time the amount of our grant that has to contribute to the UK's commitment to overseas development will go up. We have invested in expanding our income earning activities and aim to increase self-generated income overseas by over 30 per cent – a very challenging target. We have re-allocated resources between countries across our seven overseas regions in response to these factors and to the need to seize new opportunities and reflect changing geopolitical priorities. The allocation of government grant reflects the priority given to South Asia, the Middle East and Africa where there are limited opportunities to fund our vital work in developing, post-conflict and fragile countries from earned income. Conversely, by 2015, both East Asia and EU Europe regions will be over 90 per cent funded by self-generated income.

Income by overseas region for 2013–14 and 2014–15 in £ millions



We aim to complete our programme to regularise our status worldwide by 2015. We have resolved our status in 66 countries so far. In some cases, rather than a branch of the British Council charity, we have had to create a new company or foundation in order to operate effectively. By 2015 we expect that there will be about 20 wholly-owned companies or foundations overseas, covering some of our highest priority operations. While this increasingly complex structure brings additional reporting requirements, it provides the crucial foundation for our ambitious planned income growth and will give us the licence to continue to operate across the network.

7.1 Americas

Americas: Argentina, **Brazil**, Canada, Chile, Colombia, Cuba, Jamaica, **Mexico**, Trinidad and Tobago, **USA**, Venezuela

Regional context

This region includes some of the UK's most important international partners, both historically and for the future. Continuing strong economic growth, an emerging middle class, democratic political stability and a growing voice on the world stage all characterise the major economies in Latin America. The importance of Brazil, Mexico and other high growth economies such as Colombia for global trade and dialogue is increasing. Governments and citizens are developing stronger international outlooks, and the demand for English, education and training services and new partnerships is growing.

In North America, the relationship with the USA continues to be highly significant for the UK, with the US market remaining a priority for many of our UK partners in higher education and the arts. Changing demographics in the USA and Canada mean that many people there now have deeper ties to Latin America and Asia than to Europe. This creates an opportunity to refresh transatlantic relationships through cultural relations activities which have been re-imagined for a new generation.

Our response is to:

- build on the UK's unique opportunity to strengthen its relationship with Brazil through the handover of the Olympic and Paralympic Games
- contribute to English language teaching policy development
- innovate and partner to support better quality English teaching and learning across Latin America on a much greater scale
- develop new international partnerships in higher education and schools and share experience in formal and non-formal education through skills and sports

- foster new connections with UK arts and creativity
- increase our capacity to make an impact across the region by working with major partners such as Microsoft.

Our priorities

Our top priority in Latin America is **English**. We will implement a teacher development strategy which uses remote teaching technologies, including video links from third countries, and draws on a growing network of online mentors and coaches. We will provide the 75 million learners and 450,000 teachers of English with access to high quality resources from the UK. We will reach growing numbers digitally and through partnerships with policy makers, education ministries, and providers. We will administer more exams and expand teaching beyond our three existing centres.

Our **arts** programmes will reach new and larger audiences. The UK–Brazil Transform 2012–16 festival – the largest we have ever staged – will feature flagship cultural events and help strengthen the relationship between the UK and Brazil. Working with the best of UK arts organisations and brands such as the Victoria and Albert Museum, the British Museum, the Hay Festivals and the Edinburgh showcase, we will increase collaboration and exchange with the UK across the region. We will work with cultural and creative entrepreneurs to help develop policy which supports prosperity and intercultural understanding.

Our support for internationalising higher **education** will focus on increasing the market for UK programmes and developing links between higher education and industry, giving more opportunities for partnership and policy dialogue. We will develop leadership programmes, including sports education, and nurture collaborative networks for leading young citizens, including those who have studied in the UK.

The population of this region is just over 800 million.

Source: United Nations

GDP per capita in this region ranges from US\$48,000 in USA, to US\$5,000 in Cuba.

Source: World Bank

Brazil is currently the world's seventh largest economy by GDP and Mexico is the world's eleventh largest.

Source: CIA World Fact Book

7.2 East Asia

East Asia markets: Australia, Burma, **China**, Hong Kong, **Indonesia**, **Japan**, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan, **Thailand**, **Vietnam**

Regional context

The rapid pace of economic and social change which characterises the emergence of Asia as an economic and political power is reflected across the region. China's new leadership will continue to focus on economic growth. This, together with urbanisation, a drive for innovation and development of the creative sector, will require new skills. There is increased external interest in Association of Southeast Nations (ASEAN) countries, where economic growth is mirrored by population growth and a strong interest in education reform and skills development. Indonesia and Burma have emerged as priority markets in this context. A number of markets (for example Singapore) are investing heavily in domestic and transnational education while Japan and Taiwan are internationalising higher education to attract overseas students to campuses affected by shrinking populations.

The challenges of rapid growth and employability have resulted in a strong focus on skills development for students and teachers of English, and for the social and creative enterprise sectors. Digital technology and social media are increasingly a normal part of daily life in the region.

Our response is to:

- increase the scale, relevance and impact of programmes through strong partnerships, such as the ASEAN knowledge partnership
- meet the demand for skills and internationalisation through increasing paid services in English, education, the creative industries and UK qualifications
- increase our capacity to respond to the demand for digital content and social media engagement
- build on the legacy of our UK Now arts festival in China to promote and showcase UK creativity and innovation across the region.

Our priorities

Our focus on paid educational services in **English** has started well with a large teacher training contract and an additional up-skilling contract in Malaysia. We will grow our programmes for English learners through an integrated business approach, working through state systems, face-to-face teaching, online and mobile devices and broadcast media. We will continue to open new teaching centres, including a new initiative in Indonesia. Candidature for the IELTS examination continues to grow. Promotion of our new Aptis examination for learners will continue to be a priority. This is now a key product for meeting the demands of policy makers for improved assessment.

In **education and society**, we will continue to support fresh thinking on policy for regional education leaders through our successful global education dialogues. We will focus on the market for UK transnational programmes, for example through support to the Vietnam–UK new university initiative in Danang, and build on the demand from the UK for paid-for market analysis services in this high priority region. In China, we will expand the Knowledge Economy partnership and, with other UK bodies, develop a new set of these partnerships in ASEAN countries. We will continue to expand skills training and youth engagement in social enterprise with partners in private and public organisations. We will build our capacity to expand our contract work in Indonesia, Vietnam, Burma, China and the Philippines.

All countries will run **arts** programmes to increase audiences for UK creativity. We will follow the hugely successful UK Now arts festival in China with showcasing events in Vietnam in 2013 and in Indonesia in 2014. We will work on skills development in arts management, cultural heritage and the creative industries. Republic of Korea will be a focus of the 2014 London Book Fair.

Six of the 13 markets in this region are in the world's top 20 economies by GDP.

Source: CIA World Factbook

A total of eight countries in this region are on the OECD list of countries eligible for official development assistance.

Source: OECD

The population of this region is over two billion (one third of the world's population), nearly a quarter is under 14 years old.

Source: United Nations and CIA World Factbook

7.3 EU Europe

European Union: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, **France**, **Germany**, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxemburg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland

Regional context

This region covers the EU member states plus Norway and Switzerland – highly developed economies facing challenges in recovering from global recession, adapting to ageing populations and addressing youth unemployment. The eurozone countries face major risks in tackling debt and regaining market confidence, though some priority countries such as Poland and Germany are proving relatively resilient. Austerity measures are bringing pressure on social cohesion and there is rising nationalism, further fuelled by migratory pressures in many parts of Europe. The EU remains the UK's largest trade partner and is vital to UK interests.

This region is home to major corporate, governmental and civil society partners. There are great opportunities for us to work both with them, and under contract from the European Commission, to do cultural relations work on a large scale. As a leading partner in the network of EU institutes for culture (EUNIC) we can play a significant role in influencing cultural policy in the EU. With a huge market for English language learning and qualifications, we continue to generate substantial income from paid-for services. Our government grant in the region has declined dramatically and by 2015 well over 90 per cent of our turnover will be from self-generated income.

Our response is to:

- engage the UK with Europe and mobilise European partnerships for the benefit of the UK
- maximise opportunities for young people in the UK to gain a more international outlook by connecting with their peers in Europe and taking part in European mobility programmes
- grow and diversify income-generation opportunities, particularly in our more economically resilient priority countries, to become self-sustaining by 2017

- pursue new opportunities offered by the European Commission and member state governments for doing more cultural relations work through co-funding
- invest in effective digital engagement to reach larger audiences.

Our priorities

Our top priority is to respond to sustained demand for **English** through our paid-for teaching and examinations services and by providing wider support for all teachers, learners and language policy makers. We will work with public education bodies and UK partners to raise the quality of English language teaching and assessment. We will invest in digital channels and content providing resources both paid-for and free-to-download. The Madrid School, which offers a much-valued bilingual liberal education and a British curriculum to young Spaniards, will remain a priority.

Arts is a priority in selected countries and we aim to promote digital and broadcast arts work such as the innovative National Theatre live screenings in all countries. We will reach new audiences, working with partners and UK arts professionals, to support commercial and co-creation initiatives. From 2014 we will promote the creative industries through the European Commission Creative Europe programme.

In **education and society**, our focus will be on internationalising higher education and re-engaging with universities on shared policy challenges. We will promote global education market intelligence products and encourage mobility and employment opportunities for young people. We will create new co-funded partnerships for young people in the UK to connect with their peers in the EU and gain the skills they need to compete in today's global economy.

The EU has a population of around 503 million people, just over seven per cent of the world's population.

Source: Eurostat

GDP per capita in this region ranges from US\$98,000 in Norway to US\$7,000 in Bulgaria.

Source: World Bank

The average median age of the EU population was 40 years in 2008, and is projected to increase to 45 years by 2030.

Source: Eurostat

7.4 Middle East and North Africa

Middle East and North Africa: Algeria, Bahrain, **Egypt**, **Iraq**, Jordan, Kuwait, Lebanon, **Libya**, Morocco, Oman, **Palestinian Territories**, Qatar, **Saudi Arabia**, Syria, Tunisia, **UAE**, Yemen

Regional context

Dramatic changes continue to affect the Middle East and North Africa following the uprisings of 2011. Revolutionary upheaval has created new political and social forces and led to election victories in Tunisia and Egypt for Islamist parties. Across the region, no country remains unaffected and instability and uncertainty are likely to continue for some time to come.

High levels of historical mistrust in the West persist, making it crucial to build trust with the UK. There are considerable opportunities to do this through international engagement to support reform and the development of strong civil societies. Young people make up more than half the population of the region. They need help to gain skills for employment, access to international opportunities and a voice in shaping the future. There are also significant opportunities for the UK to support educational growth in the Gulf, as well as economic and social development.

Our response is to:

- help address the challenges faced by young people in participating in their societies and accessing employment
- support individuals, governments and the private sector to find ways of working together to shape the future
- support people to gain the skills needed for employment in new areas such as the creative economy and social enterprise.

Our priorities

Skills for employment, higher education leadership and school links are our **education** priorities. We will develop existing relationships with education ministries to support education policy reform. Working with partners, we will

help young people to access education and develop the skills needed to find employment and drive social change. We will support women to participate in economic and political life. Our **society** work will build youth networks and stimulate debate through programmes like Young Arab Voices, which is funded by the Foreign and Commonwealth Office/Department for International Development Arab Partnership Initiative. We will organise conferences to strengthen relationships between new leaders from North Africa and the UK, building on our 2012 North Africa Leadership Conference in Hammamet, Tunisia. Responding to increasing recognition that the youth voice in the region must be heard, we will work with local organisations to review and renew our civil society work in the Gulf.

Demand for **English** is high and continuing to rise. We will support the development of national policies for English language training, building on our experience of working with the Tunisian Ministry of Education across the school system. We will support teachers and learners of English through digital and broadcast media and face-to-face. Working with partners such as HSBC and the Arab League we aim to reach a total of more than ten million English teachers and learners across the region by 2015.

There is enormous respect and support for the **arts** in the region. This provides a vehicle for expression where freedom of speech is limited and creates opportunities for establishing dialogue with the UK. Our research on the role of the arts in reform will shape our new arts programme and help us support countries to develop their own cultural policies. We will foster new connections and greater creativity through exhibitions, publications, concert tours and showcase events such as the Qatar 2013 Year of Culture.

GDP per capita in this region ranges from US\$92,500 in Qatar to US\$1,000 in Yemen.

Source: World Bank

The population of this region is nearly 315 million and around half are under the age of 25.

Source: United Nations

11 out of 17 countries and territories in this region are on the OECD list of countries eligible for official development assistance.

Source: OECD

7.5 South Asia

South Asia: **Afghanistan, Bangladesh, India, Iran, Nepal, Pakistan, Sri Lanka**

Regional context

Fast moving and turbulent, South Asia has rapidly-growing economies and a rising middle class as well as conflict, extremes of poverty and low literacy rates. This region is critically important to the UK in terms of trade, business, security and development. India is an emerging global power with which the UK is keen to reinvigorate its relationship. Nepal, Bangladesh and Sri Lanka are growing at six to eight per cent a year, despite economic and security difficulties. Pakistan and Afghanistan are central to the UK's security interests. The UK is committed to supporting Afghanistan's long-term development beyond the withdrawal of its troops in 2014. Bangladesh remains one of the top recipients of UK development assistance and, with Pakistan, has strong diaspora links with the UK.

There is huge demand in the region for English for employability and also growing investment in education, an increasing appreciation of the arts and cultural industries, and rapidly escalating access to digital technologies.

Our response is to:

- reach 100 million learners and teachers of English by making our programmes and materials more readily accessible
- increase educational opportunities for young people by strengthening national education systems and providing access to UK education and qualifications
- use the arts to build greater understanding and trust between the peoples of the UK and South Asia
- support the development of the next generation of leaders in South Asia and strengthen their links with the UK
- maintain an effective network of offices, investing in our premises in India, Pakistan, Bangladesh and Sri Lanka, where we will open a new office in Jaffna in 2013.

Our priorities

English is critical across the region. To work with larger numbers, we will develop new partnerships, invest in digital delivery and in face-to-face English teaching, and find ways to reach people who have not traditionally had access. We will expand our English teacher training programmes. Having already trained over 750,000 teachers in India, we will increase that number significantly by 2015. In Pakistan we aim to reach 500,000 teachers. South Asia is one of the largest markets globally for UK exams boards. We will invest in exams to improve customer experience and connect exams candidates more with other cultural relations activity.

In **education** internationalising higher education is a priority. The UK–India Education and Research Initiative project will continue to create new India–UK higher education partnerships and research links. Over the next four years we will manage a major EU-funded programme to strengthen higher education collaboration between the EU and India. Our schools work will enhance leadership and quality and create 435 partnerships between the UK and South Asia. Our **society** programmes will operate mainly in Pakistan, Bangladesh, India and Sri Lanka, working to build the capacity and confidence of young people to lead at community and national level.

We will increase our **arts** work, strengthening collaboration between the creative industries and arts practitioners in the UK and in South Asia. We will develop a new programme for Afghanistan, Sri Lanka and Pakistan exploring how the arts can contribute to addressing post conflict issues.

7.5 per cent of the UK population is of South Asian origin.

Source: UK Census, 2011

All the countries in this region are on the OECD list of countries eligible for development assistance.

Source: OECD

The population of this region is 1.7 billion and around 30 per cent of them are below the age of 20.

Source: United Nations

7.6 Sub-Saharan Africa

Sub-Saharan Africa: Botswana, Ethiopia, Ghana, Kenya, Malawi, Mauritius, Mozambique, Namibia, **Nigeria**, Rwanda, Senegal, Sierra Leone, **South Africa**, South Sudan, Sudan, Tanzania, Uganda, Zambia, Zimbabwe

Regional context

Sub-Saharan Africa is changing fast. With 1.75 billion people set to live in the region by 2050 and a GDP forecast to grow by seven per cent per annum over the next two decades the future looks promising. High growth economies such as China, India and Brazil continue to invest in the region, raising their profile there. However, poor leadership and weak rule of law remain serious issues and political instability, corruption and inequality continue to limit the development of civil society. The African demographic is young, aspiring and not tied to the past. Within 15 years it will represent a quarter of global under-25s, with 25 per cent of them facing unemployment.

The challenge for the UK is how to respond to this new Africa in a way that meets the changing needs of the people, addresses ongoing developmental issues and raises awareness of the UK amongst a new generation.

Our response is to:

- meet the demand among young people for employment enhancing skills and qualifications
- raise awareness of the new Africa in the UK and of the UK's cultural and educational strengths amongst young Africans
- work with international development partners to strengthen government reform and civil society
- harness the shared interest of global partners to make a significant impact in international development
- support the UK English language teaching sector in meeting the demand for UK English language and vocational training.

Our priorities

We will meet the growing regional demand for **English** as a tool for development, including in Anglophone countries where English quality has fallen. We will increase access to English materials using, for example, solar digital players. We will use our new English language assessment product, Aptis, to meet the demand for qualifications which support personal and wider economic growth. We will increase impact by working with ministries, universities, teacher associations and partners such as VSO and the Open University. We will support 14 million teachers, face-to-face and online.

In **education** we will support the improvement of quality in subjects essential for employment. We will work to address inequality and poverty by sharing access to international best practice, knowledge and innovation, and to skills, professional development and UK qualifications. We will continue to work with partners like Microsoft to increase school leadership and the innovative use of ICT by over 10,000 teachers. Our work in **society**, particularly with women and young people in fragile states, will continue to focus on security, justice and strengthening civil society and we will extend our work in stability and conflict resolution.

Our **arts** programme will have two main strands – we will share the best of what the UK has to offer in the arts through high profile showcasing events and give support to creative entrepreneurs. We will launch major showcasing programmes in South Africa in 2014 and Nigeria in 2015. With regional partners, we will promote the growth of creative industries by supporting policy development and helping creative entrepreneurs to develop commercial skills. This will build on our successful Creative Expo events which brought together people from the UK and Nigeria who work in the creative industries to share experiences and ideas.

22 out of the 23 countries with the lowest gross national income in the 2012 World Development Indicators (less than US\$550 per annum) were in Sub-Saharan Africa.

Source: World Bank

GDP per capita in this region ranges from just under US\$9,000 in Mauritius and Botswana to just under US\$400 in Ethiopia and Sierra Leone.

Source: World Bank

Non-traditional partners such as China, Brazil and India now account for 50 per cent of African imports and 60 per cent of exports.

Source: International Monetary Fund

7.7 Wider Europe

Wider Europe: Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, **Israel**, Kazakhstan, Kosovo, Macedonia, Montenegro, **Russia**, Serbia, **Turkey**, Ukraine, Uzbekistan

Regional context

This is an exciting and diverse region with young populations, booming economies in Turkey and Russia and oil and gas riches in Kazakhstan and Azerbaijan. Most countries are emerging from periods of isolation and re-engaging with the rest of the world. We are well placed to meet the demands of governments and individuals for high-quality English language learning, world-class arts programmes from the UK, higher education partnerships and skills development.

Internet penetration is increasing rapidly across the region and fuelling a huge expansion in the use of social media. By 2015, 200 million people will be online, an increase of 55 million since 2011, and 75 per cent of them will be using social media, up from 58 per cent in 2011. We are responding to these opportunities, and to the reduction in our grant funding, by creating smaller, more digitally savvy operations, investing in staff with strong understanding of their markets (half of our Country Directors in the region are now country nationals) and diversifying our sources of funding in order to expand our activity and increase our impact.

Our response is to:

- meet the need and demand for English, working with policy makers, teachers and learners and making the most of digital channels
- work in the arts and creative industries to strengthen relationships with the UK and raise awareness of the UK as a place of imagination and innovation
- strengthen UK partnerships and collaboration in higher education and skills.

Our priorities

English is a priority development need in all countries in the region, and we are responding comprehensively to this need. We plan to add new teaching operations in Turkey, Kazakhstan, Azerbaijan and Serbia to our existing operations in Ukraine and Georgia. We also plan to double the volume of British exams we deliver. We aim to reach every teacher in public education through online courses and resources, in addition to face-to-face training and support. Increasingly we will work directly with education ministries to meet their needs for more effective teacher development and learner assessment.

The **arts** are another priority, with dynamic partnerships bringing new UK work to audiences across the region and demonstrating the role that culture can play in developing relationships. Building on major cultural collaborations from 2011–12, we will continue to help strengthen ties between Russia and the UK through the UK–Russia 2014 Year of Culture. Turkey is the market focus country at the 2013 London Book Fair. In Israel and Ukraine we will continue to forge bold new co-operation in film and the visual arts. Our performing arts partnerships are being reinvigorated with high-profile company visits to festivals, a capacity-building initiative for theatre ‘backstage’ professionals and a pioneering inclusive performance project drawing on innovative UK models and expertise.

We will support higher **education** reform agendas, and strengthen collaboration with the UK through policy dialogues and partnership programmes. We will develop our international marketing services to UK higher education institutions. We will continue skills development work in countries which look to UK vocational education models.

The population of this region is around 350 million, one third of which is under the age of 24.

Source: United Nations

GDP per capita in this region ranges from US\$31,000 in Israel to US\$1,500 in Uzbekistan.

Source: World Bank

13 of the 15 countries in this region are on the OECD list of countries eligible for Official Development Assistance.

Source: OECD

8. Performance targets

The scale of our work

Over the next two years we will continue to increase the number of people we work with, whilst ensuring that the quality of our work and the impact it creates remain high.

Who we work with

We target three main groups of people overseas and in the UK:

- Influencers – mid/mature career professionals, educators, artists, scientists, community or business leaders, and policy makers. We often work through these people to reach many more and maximise the impact we make.
- Aspirants – these are generally younger people who are in education, or starting out in their careers. Aspirants may be opinion formers within their own networks and may become influencers.
- Leaders – make up a relatively small proportion of participants, but building long-term relationships with governmental, cultural, educational and civil society leaders is essential to enable discussion on policy change and give us the permission to work with wider groups in many countries.

Ways we work with people

We work with influencers, aspirants and leaders in four main ways:

- Face-to-face – people participating in activity where they come into physical face-to-face contact with others, including: leaders, teachers, exam candidates and teaching centre students.
- Exhibitions, festivals, fairs and performances – people attending exhibitions, live arts performances, arts and education fairs, and festivals.
- Digital – people participating through digital channels: social networks, online learning communities, websites, and mobile devices and applications.
- Broadcast and publications – people participating by watching, listening to or reading British Council produced or co-produced content.

Participation in our programmes and activities

	2013–14 TARGET	2014–15 TARGET
Face-to-face	11 million	12 million
Exhibitions, festivals, fairs and performances	8 million	9 million
Digital users	90 million	100 million
Broadcast and publications	450 million	500 million

The targets above represent growth of approximately ten per cent from 2013–14 to 2014–15.

The impact of our work

We measure impact through an annual survey of the most influential people who have taken part in our programmes and by external evaluations of the larger programmes which we run with, or on behalf of, others.

Our Annual Impact Survey (AIS) is conducted by Ipsos MORI. The results of the survey tell us the percentage of people who report that working with us has had an impact on their professional development and/or their organisation’s development and/or their relationship with and perception of the UK.

Over the next two years of the plan the targets for our Annual Impact Survey are:

Percentage of participants reporting impact on their:



The quality of our work

We measure the quality of our work in two main ways:

- scores from a customer satisfaction survey distributed at face-to-face events and online
- a net recommendation score which is a measure of the willingness of our participants to recommend others to work with us or to use our services.

Our targets reflect our aim to maintain or improve this quality.

Customer satisfaction

Our customer satisfaction score, from a survey of quarter of a million participants, in 2011–12 was 83. Customer satisfaction scores above 80 are considered by the National Audit Office to be ‘good to excellent’. We aim to maintain this level of performance over the next two years.

**WE AIM TO MAINTAIN OUR
CUSTOMER SATISFACTION SCORE
IN 2013–14 AND 2014–15 AT:**



83

Net recommendation

The Net Promoter methodology is widely used and allows us to benchmark our scores externally. The net percentage is calculated from advocates minus detractors, according to international benchmarks. Our net recommendation of 58 per cent in 2011–12 was slightly above our then target.

The target for the next two years is to achieve 59 per cent annually. This compares well in industry benchmark reports with highly rated brands such as Apple – hardware at 59 per cent and Tesco – mobile phone services at 47 per cent*.

**FOR THE NEXT TWO YEARS OUR
TARGET NET RECOMMENDATION IS:**



59
PER CENT

*Source: Satmetrix NPS Benchmarks 2012

Other organisational goals

The Foreign and Commonwealth Office Heads of Mission survey

is carried out annually to obtain their view of our performance and provide us with valuable feedback. Our target score for the next two years is 82 which falls into the range of 'good to excellent'.

OUR TARGET SCORE FOR THE
HEADS OF MISSION SURVEY IS:



82

Our Diversity Assessment Framework assesses how far what we do reflects the equality and diversity of the UK and the countries in which we work. For 2011–12 we achieved level 7 on our ten-indicator system just short of our target of level 8. The target for 2013–14 and 2014–15 remains at level 8.

THE TARGET FOR OUR DIVERSITY
ASSESSMENT FRAMEWORK IS:



8

We are implementing a **sustainable environmental action plan**.

In 2011–12 we maintained the International Standard for Environmental Management (ISO14001) in all our UK offices. Overseas, we have an Environmental Framework which uses a five-level scale. In 2011–12 we set a challenging target of all offices achieving level 3 – 'making a difference'. A total of 39 per cent of our overseas offices achieved this level. For 2012–13 our target remained at 3 for all offices. From 2013–14 we will implement environmental awareness eLearning for all staff and the target rises to level 4.

FROM 2013–14 THE TARGET
SCORE ON OUR ENVIRONMENTAL
FRAMEWORK IS:



4

9. Financial plan

Income

Following the Spending Review Settlement in October 2010, our Foreign and Commonwealth Office (FCO) grant will go down further to £154 million over the next two years:

FCO GRANT	2012–13	2013–14	2014–15
Resource	166*	157	149
Capital	6	5	5
Total	172	162	154

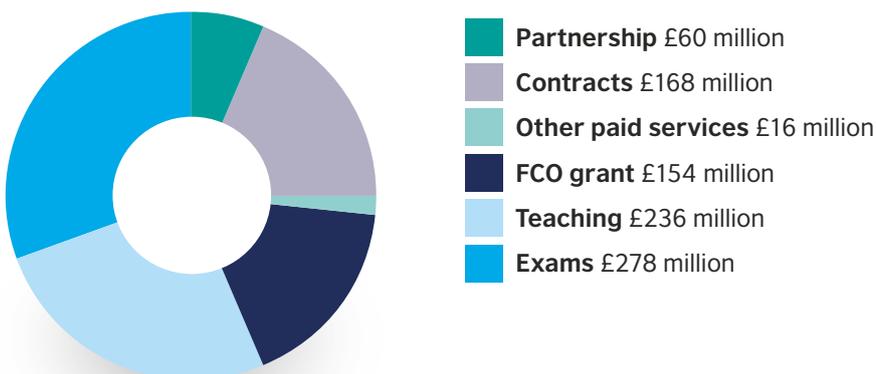
*includes additional £1 million for the GREAT campaign

However, over the same period we plan to increase earned income by nearly 30 per cent. Back in 2010–11 FCO grant was 27 per cent of our turnover. By 2014–15, it will be less than 20 per cent.

We are largely on track to meet the ambitious income targets we set ourselves for 2014–15 in previous Corporate Plans, despite the difficult economic environment. We are, however, making some adjustments to targets as follows:

- Examinations income for 2014–15 is being increased by £15 million as the business continues to perform strongly and is supported by new products such as Aptis, a new English test.
- Reducing the teaching income target for 2014–15 by £9 million reflecting economic slowdown in some markets. Our target still represents growth of 33 per cent compared with the 2012–13 forecast.
- Introducing a new category of 'other paid services' income which represents new sources of earned income in English and Education and Society from, for example, Services in International Education Marketing. The income target for 2014–15 is £16 million.
- Reducing the contracts income target for 2014–15 by £72 million following detailed business planning and market assessment. The revised target still represents growth of 28 per cent compared with the 2012–13 forecast.

Income targets for 2014–15



Expenditure

The FCO grant reduction, the likely impact of inflation and exchange rates and the need to maintain our priority work mean that we need to save a further £30 million of grant costs annually by 2014–15, on top of the £40 million cuts and savings already made over the last two years.

We are investing £128 million over the next couple of years to promote business growth, increase our impact, reduce costs and increase the effectiveness of our operating platform and support services. Investment will be almost entirely financed by surpluses from income earning activities.

Our investment programme will include the development of new products and services, upgrade of our technology platform, improvement of financial systems and capability, online payment systems, digital presence and implementation of collaboration relationship management.

Spend on buildings, infrastructure and support staff has gone down from 19 per cent of total cost to 17 per cent over the last two years. It is planned to go down to less than 15 per cent by 2014–15.

We have contributed to the UK's aid effort through the government grant for many years. Despite the declining government grant, the proportion of our resource grant which we are required to spend as part of the UK government's aid effort will go up to 64 per cent by 2014–15. The targets we have been set for Overseas Development Assistance will go up from nearly £93 million in 2012–13 to just under £98 million by 2014–15.

British Council Financial Plan: 2012–13 to 2014–15

(Figures in £ millions)

	2012–13 FORECAST	2013–14	2014–15	AVERAGE ANNUAL GROWTH RATE (PER CENT)
FCO grant	172	162	154	(5%)
Teaching	177	210	236	15%
Exams	236	261	278	9%
Partnership	41	50	60	21%
Contracts	131	137	168	13%
Other paid services	0	11	16	
Bank interest	2	2	2	0%
Income	759	833	914	10%
Contract expenditure	107	115	141	15%
Direct costs	488	540	579	9%
Operating costs	595	655	720	10%
Platform costs	122	129	130	3%
Total costs	717	784	850	9%
Gross surplus/(deficit)	42	49	64	23%
Investments (including capital)	60	56	72	10%
Depreciation and other adjustments	0	(10)	(10)	
Net surplus/(deficit)	(18)	3	2	

British Council grant and partnership funded Financial Plan: 2012–13 to 2014–15

(Figures in £ millions)

	2012–13 FORECAST	2013–14	2014–15	AVERAGE ANNUAL GROWTH RATE (PER CENT)
FCO grant	172	162	154	(5%)
Partnership	41	50	60	21%
Contracts	5	2	3	(23%)
Bank interest	1	1	1	0%
Income	219	215	218	0%
Operating costs	169	172	175	2%
Platform costs	53	53	50	(3%)
Total costs	222	225	225	
Gross surplus/(deficit)	(3)	(10)	(7)	54%
Investments (including capital)	12	5	5	
Depreciation and other adjustments	(3)	(5)	(5)	
Funding from earned income	(12)	(10)	(7)	
Net surplus/(deficit)	0	0	0	

British Council earned income Financial Plan: 2012–13 to 2014–15

(Figures in £ millions)

	2012–13 FORECAST	2013–14	2014–15	AVERAGE ANNUAL GROWTH RATE (PER CENT)
Teaching	177	210	236	15%
Exams	236	261	278	9%
Contracts	125	135	165	15%
Other paid services	0	11	16	0%
Bank interest	2	1	1	(29%)
Income	540	618	696	14%
Contract expenditure	103	113	139	16%
Direct costs	323	370	407	12%
Operating costs	426	483	546	13%
Platform costs	70	76	79	6%
Total costs	496	559	625	12%
Gross surplus/(deficit)	44	59	71	27%
Investments (including capital)	48	51	67	18%
Depreciation and other adjustments	3	(5)	(5)	
Net surplus/(deficit)	(7)	13	9	



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