

British Council

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# Royal Charter and Bye-Laws

1993

The British Council was incorporated by Royal Charter in 1940 and the Supplemental Charter was granted on 26 November 1993. The British Council's Charter and the Bye-Laws contained in its Schedule are here printed with the incorporation of amendments approved by Orders in Council dated 22 July 1976, 5 October 1983, 4 December 1984, 27 October 1993, 16 July 2002, 8 June 2011 and 15 December 2021.

**ELIZABETH THE SECOND** by the Grace of God of the United Kingdom of Great Britain and Northern Ireland and of Our other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith:

**TO ALL WHOM THESE PRESENTS SHALL COME, GREETING!**

**WHEREAS** His Majesty King George the Sixth in the year of our Lord one thousand nine hundred and forty by Royal Charter (hereinafter called “the Original Charter”) dated the seventh day of October in the fourth year of His Reign constituted a Body Corporate by the name of the British Council with perpetual succession and with power to sue and be sued by the said name and to use a Common Seal:

**AND WHEREAS** it has been represented unto Us by Our Principal Secretary of State for Foreign and Commonwealth Affairs that it is expedient to revise the objects and powers of the British Council and that the provisions of the Original Charter, except in so far as they incorporate the British Council, should be replaced:

**NOW THEREFORE KNOW YE** that We, by virtue of Our Prerogative Royal and all other powers enabling Us so to do, have, of Our especial grace, certain knowledge and mere motion, granted and declared and do by these Presents for Us, Our Heirs and Successors, grant and declare as follows:

1. The provisions of the Original Charter, except insofar as they incorporate the British Council and confer upon it perpetual succession and a Common Seal, are hereby revoked, but nothing in this revocation shall affect the legality or validity of any act, deed or thing lawfully done or executed under the provisions of the Original Charter.
2. The British Council may sue and be sued in all courts and in all manner of actions and suits and generally shall have power to do all matters and things incidental or appertaining to a Body Corporate.

### **Objects**

3. The objects for which the British Council is established and incorporated are to advance, for the public benefit, any purpose which is exclusively charitable and which shall:
  - (a) promote cultural relationships between the people of the United Kingdom and other countries;
  - (b) develop a wider knowledge of the English language; and
  - (c) encourage educational co-operation between the United Kingdom and other countries, support the advancement of United Kingdom education and education standards overseas, and otherwise promote education.

## Powers

4. In pursuance of the foregoing objects, the British Council may, in any part of the world:
- (a) accept, hold and dispose of money or other personal property including sums voted by Our Parliament;
  - (b) enter into contracts;
  - (c) purchase, take on lease or hire, or otherwise acquire and hold any land, buildings, easements, or hereditaments of any tenure and any other real or personal property and to construct, provide, maintain, repair and alter any buildings, works, or plant and things that may from time to time be deemed requisite in any part of the world for the objects of the British Council and to accumulate, improve, manage, develop or sell, exchange, lease, mortgage or otherwise dispose of or deal with or turn into account all or any property or rights of the British Council provided that no disposition of any real or leasehold property situated within the United Kingdom shall be made without such consent or approval (if any) as may be by law required therefore;
  - (d) accept donations of property of any kind whatsoever, including endowments, gifts of money, lands, hereditaments, stocks, funds, shares, securities and other assets and subject or not subject to any special trust or conditions and in particular, to accept on reasonable terms the undertaking and assets of any society or body, whether incorporated or not, carrying on work which is within the objects of the British Council;
  - (e) borrow or raise money with or without security for the objects of the British Council or for the purpose of investment, provided that no money shall be raised by mortgage or charge of any real or leasehold property of the British Council situated in the United Kingdom without such consent or approval (if any) as may be by law required therefore;
  - (f) make and give effect to any arrangement for the joint working or co-operation with any other society or body, whether incorporated or not, carrying on work which is within the objects of the British Council;
  - (g) undertake, execute and perform any trusts or conditions affecting any real or personal property of any description acquired by the British Council;
  - (h) undertake trust business (which for the purpose of this sub-clause means the business of acting as trustee under wills and settlements and as executor and administrator) in the United Kingdom;
  - (i) set aside funds for special purposes or as reserves against future expenditure;
  - (j) invest the British Council's money not immediately required for its objects in or upon any investments, securities, or property;

- (k) arrange for investments or other property of the British Council to be held in the name of a nominee or nominees (being a corporate body registered or having an established place of business in England and Wales) under the control of the Board or of a Financial Expert or Experts acting under their instructions and pay any reasonable fee required;
- (l) lend money and give credit to, take security for such loans or credit and guarantee or give security for the performance of contracts by any person or company;
- (m) open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- (n) raise funds by way of subscription, donation or otherwise;
- (o) trade in the course of carrying out the objects of the British Council and carry on any other trade which is not expected to give rise to taxable profits;
- (p) incorporate subsidiary entities to carry on any trade or other activities;
- (q) generally to do all other lawful acts whatsoever that are conducive or incidental to the attainment of the objects of the British Council.

### **Limitation of Benefit**

5. The income and property of the British Council wheresoever derived shall be applied solely towards the promotion of the objects of the British Council as set forth in this Our Charter, and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the Members or Trustees of the British Council: provided that nothing herein contained shall prevent the payment in good faith of:
- 5.1 reasonable and proper remuneration and expenses to any employee of the British Council in return for services actually rendered, or
  - 5.2 reasonable expenses properly incurred by a Trustee when acting on behalf of the British Council, or
  - 5.3 reasonable and proper pensions to former employees of the British Council or their dependants, or
  - 5.4 reasonable and proper rent for premises demised or let by any Trustee to the British Council, or
  - 5.5 reasonable and proper interest on money borrowed by the British Council from a Trustee for the objects of the British Council, or
  - 5.6 all reasonable and proper premiums in respect of trustees' indemnity insurance effected in accordance with clause 12 of this Our Charter, or

- 5.7 subject to compliance with the provisions of clauses 13 to 17 (conflicts of interest), reasonable and proper remuneration to the Chair in return for his or her services as a Trustee and as Chair (at a rate to be agreed in writing with the Charity Commission for England and Wales and the Foreign, Commonwealth and Development Office).

## **Members**

6. The Trustees from time to time shall be the only Members of the British Council, and a Trustee shall become a Member on becoming a Trustee.
7. A Member shall cease to be a Member if he or she ceases to be a Trustee.

## **Honorary Members**

8. The Trustees may establish such classes of honorary membership with such description and with such rights and obligations (including without limitation the obligation to pay a subscription) as they think fit and may admit and remove such honorary members in accordance with such regulations as the Trustees shall make, provided that no such honorary members shall be Members of the British Council for the purposes of this Our Charter.

## **Board**

9. All the powers of the British Council shall be vested in the Board.
10. The Board shall consist of not less than ten and not more than fifteen Trustees.
11. In execution of their powers under this Our Charter, no Trustee shall be liable for any loss to the property of the British Council arising by reason of any improper investment made in good faith (so long as where appropriate advice shall have been sought before making such investment) or for the negligence or fraud of any other Trustee or by reason of any mistake or omission made in good faith by any Trustee or by reason of any other matter or thing whatsoever except wilful and individual fraud, wrong-doing or wrongful omission on the part of the Trustee.
12. The Board may pay out of the funds of the British Council the cost of any premium in respect of insurance or indemnities to cover any liability of the Board (or any Trustee) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the British Council; provided that any such insurance or indemnity shall not extend to any claim arising from criminal or wilful or deliberate neglect or default on the part of the Board (or any Trustee).

## **Conflicts of interest**

13. Whenever a Trustee finds himself or herself in a situation that is reasonably likely to give rise to a conflict of interest, he or she must declare his or her interest to the Trustees.

14. If any question arises as to whether a Trustee has a conflict of interest, the question shall be decided by a majority decision of the other Trustees.
15. Whenever a Trustee has a conflict of interest either in relation to a matter to be discussed at a meeting or a decision taken by other means the Trustee must comply with clause 16.
16. If a Trustee with a conflict of interest is required to comply with clause 16 he or she must:
  - 16.1 in respect of a decision taken at a meeting:
    - 16.1.1 remain only for such part of the meeting as in the view of the other Trustees is necessary to inform the debate;
    - 16.1.2 not be counted in the quorum for that part of the meeting; and
    - 16.1.3 withdraw during the vote and have no vote on the matter.
  - 16.2 in respect of a decision taken outside of a meeting:
    - 16.2.1 only participate in the discussions leading up to the decision to the extent as in the view of the other Trustees is necessary to inform the debate; and
    - 16.2.2 not participate in the decision itself.
17. The Trustees must cause a register of Trustees' interests to be kept. A Trustee must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the British Council or in any transaction or arrangement entered into by the British Council which has not previously been declared.

### **Amendment of Charter**

18. The Board may by Special Resolution in that behalf alter, amend or add to any of the provisions of this Our Charter and such alteration, amendment or additional shall, when approved by Us, Our Heirs or Successors in Council become effectual so that this Our Charter shall thenceforward continue and operate as though it had been originally granted and made accordingly. This provision shall apply to this Our Charter as altered, amended or added to in manner aforesaid.

### **Amendment of Bye-Laws**

19. The Board may from time to time, by Special Resolution, adopt Bye-Laws which shall be the Bye-Laws of the British Council. The Board may by Special Resolution revoke, alter or add to the said Bye-Laws. No new Bye-Law and no such revocation, alteration or addition as aforesaid shall have any force or effect if it be repugnant to any of the provisions of this Our Charter or to the laws of Our Realm.

## **Delegation**

- 20.** The Board may delegate any of its powers or functions (other than its powers under clauses 18 and 19 of this Our Charter) to a sub-committee or sub-committees provided that the Chair of any such sub-committee shall be a member of the Board appointed by the Board. Any sub-committees so formed shall, in the exercise, of the powers so delegated, conform to any regulations or directions that may from time to time be imposed upon it by the Board and shall report back as soon as practicable to the Board.
- 21.** The Board may delegate the implementation of their decisions or day to day management of the affairs of the British Council to any person or committee.
- 22.** The Board may delegate the management of investments to a Financial Expert or Experts provided that:
  - 22.1 the investment policy is set down in writing for the Financial Expert or Experts by the Board;
  - 22.2 all transactions are reported regularly to the Board;
  - 22.3 the performance of the investments is reviewed regularly with the Board;
  - 22.4 the Board is entitled to cancel the delegation arrangement at any time;
  - 22.5 the investment policy and the delegation arrangements are reviewed at least once a year;
  - 22.6 all payments due to the Financial Expert or Experts are on a scale or at a level which is agreed in advance and are notified promptly to the Board on receipt; and
  - 22.7 the Financial Expert or Experts must not do anything outside the powers of the Board.

## **Special Resolutions**

- 23.** A Resolution shall be a Special Resolution when it has been passed by a majority of not less than three-quarters of the Trustees present and voting at a meeting, of which not less than 21 clear days' notice specifying the Resolution and the intention to propose the Resolution as a Special Resolution has been given.

## **Surrender**

- 24.** The Board may by Special Resolution surrender this Our Charter subject to the sanction of Us, Our Heirs or Successors in Council and upon such terms as We or They may consider fit and wind up or otherwise deal with the affairs of the British Council in such manner as they shall be directed by the Special Resolution having due regard to the liabilities of the British Council for the time being and if on the winding up or dissolution of the British Council there remain after satisfaction of debts and liabilities any properties whatsoever, that property shall not be paid or distributed among the Members of the British

Council or any of them but shall subject to any special trust affecting the same be given and transferred to some other charitable association or associations having objects similar to the objects of the British Council to be determined by the Board at or before the time of dissolution.

## **Indemnity**

- 25.** Every Trustee and employee of the British Council or director of a wholly or partly owned subsidiary of the British Council, provided that such individual shall have been appointed to such position by the British Council may be indemnified by the British Council against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into, or act or thing done or omitted to be done by him or her in any part of the world as such Trustee, employee or director or in any other way in the proper discharge of his or her duties, including reasonable travelling expenses. For the avoidance of doubt any failure on the part of any Trustee or employee of the British Council or director of a wholly or party owned subsidiary of the British Council to use the level of care that is reasonable in the circumstances, taking into account any special knowledge or experience he or she has or claims to have, shall be considered to be a failure to properly discharge his or her duties.

## **Definitions**

- 26.** In this Our Charter the following words shall have the following meanings:

“Board”	means the Board of Trustees of the British Council;
“Bye-Laws”	means the bye-laws created in accordance with clause 19;
“Chair”	means a chair of the Board appointed in accordance with Bye-Law 4;
“Charter”	means the Charter of Incorporation of the British Council;
“Financial Expert or Experts”	means an individual, company or firm who, or which, is authorised to give investment advice under the laws of Our Realm or the laws of the jurisdiction in which the individual, company or firm is resident;
“Member”	means a Member of the British Council;
“Special Resolution”	means a resolution passed in accordance with clause 23;
“Trustee”	means a Trustee of the British Council.



## **Validity**

**27.** And We do by these Presents for Us, Our Heirs and Successors grant and declare that this Our Charter or the enrolment thereof shall in all things be valid and effectual in the law according to the true intent and meaning of the same and shall be recognised as valid and effectual by all Our Courts and Judges and by other officers, persons and bodies politic and corporate whom it may concern, and that the same shall be construed in the most favourable and beneficial sense and for the best advantage of the British Council as well in all Our Several Courts of Record as elsewhere, any non-recital, mis-recital, uncertainty or imperfection notwithstanding.

**IN WITNESS** whereof We have caused these Our Letters to be made Patent.

**WITNESS** Ourselves at Westminster the 26<sup>th</sup> day of November in the 42<sup>nd</sup> Year of Our Reign.

**BY WARRANT UNDER THE QUEEN'S SIGN MANUAL**

## **Bye-Laws**

### **1. Interpretation**

- 1.1 In these Bye-Laws, if not inconsistent with the subject or context:
  - 1.1.1 “The Charter” means the Charter of Incorporation of the British Council;
  - 1.1.2 “Member” means a member of the British Council;
  - 1.1.3 “The Board” means the Board for the time being appointed pursuant to the Charter and these Bye-Laws;
  - 1.1.4 “Trustee” means a member of the Board;
  - 1.1.5 “Written Resolution” means a resolution passed in accordance with Bye-Law 15.
- 1.2 Words denoting the singular number include the plural and vice versa; and words importing persons include corporations.

### **2. Membership of the British Council**

- 2.1 The names of the Members must be entered in the register of Members together with an address to which all notices and other communications to him or her may be sent. It shall be the Member’s responsibility to inform the British Council of any amendment necessary to be made to the entry referring to him or her in the register.
- 2.2 Every Member shall be bound to further to the best of his or her ability the objects, interests and influence of the British Council.
- 2.3 All resolutions of the Members shall be passed by Written Resolution

### **3. The Trustees**

The Trustees shall comprise, elected Trustees, nominated Trustees and co-opted Trustees.

### **4. Officers of the Board**

- 4.1 The officers of the Board shall be the Chair and the Deputy Chair.
- 4.2 They shall be elected by the Board and shall be previously approved by the Secretary of State for Foreign, Commonwealth and Development Affairs; they shall hold office for such period and periods not exceeding three years as the said Secretary of State shall approve.
- 4.3 At the expiry of the said period, they shall be eligible for re-election for one further period of three years subject to the previous approval of the Secretary of State for Foreign, Commonwealth and Development Affairs.

4.4 Any time previously spent as an elected Trustee shall not count towards any period as an officer of the Board.

4.5 A person shall not be eligible to be elected as Chair unless he or she is a British Citizen.

## **5. Elected Trustees**

5.1 Every elected Trustee shall be elected by the Board.

5.2 Every elected Trustee shall hold office for a first term of three years, and on expiry of that term may be re-elected for such additional term or terms not exceeding in total a further three years, as the Board shall determine.

5.3 Every elected Trustee who has held office for first and additional terms of a total duration of six years shall then be ineligible for re-election for the period of one year but thereafter may be re-elected in exceptional circumstances for one further additional term of three years.

5.4 In electing Trustees the Board shall ensure that no more than two of the Trustees from time to time are not British Citizens.

## **6. Nominated Trustees**

The Secretary of State for Foreign, Commonwealth and Development Affairs may nominate three persons to be Trustees and may also at any time replace those persons. Any such appointment or replacement shall take effect when written notice thereof is received by the Board. Nominated Trustees may hold office for a term or terms not exceeding in total six years.

## **7. Co-opted Trustees**

The Board may co-opt eligible persons as Trustees for such period or periods not exceeding two years as the Board may decide and such persons shall be eligible for further co-option after the expiry of such period provided that the number of co-opted Trustees shall at no time exceed five or the number of elected Trustees, whichever shall be the lesser.

## **8. Ceasing to be a Trustee**

A person shall cease to be a Trustee:

8.1 on his or her written resignation being received by the Board; or

8.2 on the written withdrawal of his or her nomination by his or her nominator being received by the Board in accordance with Bye-Law 6; or

8.3 on the expiry of his or her term of office; or

- 8.4 on his or her becoming bankrupt or compounding with his or her creditors or taking the benefit of any Act for the time being in force for the relief of insolvent debtors; or
- 8.5 on his or her being absent from three or more consecutive Board meetings, unless in this case the Board otherwise decides; or
- 8.6 if at a meeting of the Trustees at which at least half of the Trustees are participating, a resolution is passed that he or she be removed from office. Such a resolution shall not be passed unless he or she has been given at least 14 days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify removal from office, and has been afforded a reasonable opportunity of either (at his or her option) being heard by or of making written representations to the Trustees.; or
- 8.7 on being disqualified under the Charities Act 2011 or the Charities and Trustee Investment (Scotland) Act 2005 from acting as a trustee of a charity; or
- 8.8 on being removed by the Charity Commission as a Trustee of any other charity.

## **9. Proceedings of the Board**

- 9.1 Subject to the provisions of the Charter and these Bye-Laws, the Board shall have the power to regulate its meetings and the despatch of business thereat as it may from time to time decide.
- 9.2 The Chair or the Deputy Chair may, and at the written request of three Trustees shall, at any time convene a meeting of the Board.

## **10. Board Meetings**

- 10.1 At any meeting of the Board:
  - 10.1.1 The Chair shall preside but in his or her absence the chair shall be taken by a Trustee in the following order of preference namely:
    - (a) The Deputy Chair.
    - (b) A Trustee chosen by those Trustees present at the commencement of the meeting.
  - 10.1.2 Subject to the provisions of the Charter and these Bye-Laws, decisions shall be taken by majority vote of Trustees present and voting and if there is an equality of votes the chair of the meeting shall have a second or casting vote.
  - 10.1.3 The quorum necessary for the taking of any decision of the Board shall be seven Trustees present at the meeting or, in respect of decisions without meetings, seven Trustees participating in a decision.

10.1.4 The names of the Trustees attending any meeting together with a record of the proceedings and of the decisions taken thereat shall be recorded and the record preserved and kept available for inspection by any Trustee.

10.2 Trustees participate in a Trustees' meeting, or part of a Trustees' meeting, when:

10.2.1 the meeting has been called and takes place in accordance with these Bye-Laws; and

10.2.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

10.3 In determining whether Trustees are participating in a Trustees' meeting, it is irrelevant where any Trustee is or how they communicate with each other.

10.4 If all the Trustees participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **11. Decisions without a meeting**

11.1 The Trustees may make a decision by three-quarters majority without holding a Trustees' meeting if the conditions in this Bye-Law 11 are complied with.

11.2 If:

11.2.1 a Trustee has become aware of a matter on which the Trustees need to take a decision;

11.2.2 that Trustee has taken all reasonable steps to make all the other Trustees aware of the matter and the decision; and

11.2.3 the Trustees have had a reasonable opportunity to communicate their views on the matter and the decision to each other;

a decision of the Trustees may be taken by a three-quarters majority and shall be as valid and effectual as if it had been taken at a Trustees' meeting duly convened and held.

11.3 No decision shall be taken by the Trustees in accordance with this Bye-Law unless a quorum participates in the decision-making process. The quorum for Trustees' decision-making in accordance with this Bye-Law shall be the same as the quorum for Trustees' meetings as set out in Bye-Law 10.1.3.

11.4 Trustees participating in the taking of a three-quarters majority decision otherwise than at a Trustees' meeting in accordance with this Article:

11.4.1 may be in different places, and may participate at different times; and

11.4.2 may communicate with each other by any means.

## **12. Seal**

The Board may empower the Chair to appoint persons by name or by office to authorise the affixing of the Common Seal of the British Council to any instruments on its behalf and also to attest the same by signing the said instruments. Provided that no fewer than two such persons shall authorise the affixing of the Common Seal and sign each such instrument.

## **13. Saving Provisions**

- 13.1 The Board may operate notwithstanding a vacancy in their number provided that if the number of Trustees fall below the number required to form a quorum then the Board may only meet to dispatch urgent business or elect or co-opt further Trustees.
- 13.2 The proceedings at any meeting or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons participating or voting or by reason of any business being considered which is not specified in the notice.

## **14. Employees**

The Board may appoint a Chief Executive and such other employees of the British Council on such terms as it thinks fit provided only that the appointment of the Chief Executive shall be previously approved by the Secretary of State for Foreign, Commonwealth and Development Affairs and that he or she shall hold office for such period as the said Secretary of State shall approve.

## **15. Written Resolutions**

- 15.1 A Written Resolution of the Members passed in accordance with this Bye-Law 15 shall have effect as if passed by the British Council in general meeting if it is passed by a simple majority of the total voting rights of eligible Members.
- 15.2 In relation to a resolution proposed as a Written Resolution of the British Council the eligible Members are the Members who would have been entitled to vote on the resolution on the circulation date of the resolution.
- 15.3 A copy of the Written Resolution must be sent to every eligible Member together with a statement informing the Member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.
- 15.4 A Member signifies their agreement to a proposed Written Resolution when the British Council receives from him or her (or from someone acting on his or her behalf) an authenticated document identifying the resolution to which it relates and indicating his or her agreement to the resolution.

15.4.1 If the document is sent to the British Council in hard copy form, it is authenticated if it bears the Member's signature.

15.4.2 If the document is sent to the British Council by electronic means, it is authenticated if it bears the Member's signature or if the identity of the Member is confirmed in a manner specified by the Trustees or if it is accompanied by a statement of the identity of the Member and the British Council has no reason to doubt the truth of that statement or if it is from an email address specified by the Member to the British Council for the purposes of receiving documents or information by electronic means.

15.5 A Written Resolution is passed when the required majority of Members have signified their agreement to it.

15.6 A proposed Written Resolution lapses if it is not passed within 28 days beginning with the circulation date.

## **16. Notices**

A document or information (including any notice) to be given, sent or supplied to any person may be given, sent or supplied in hard copy form, in electronic form or (in the case of communications by the British Council) by making it available on a website, provided that a document or information (including any notice) may only be given, sent or supplied in electronic form or by being made available on a website if the recipient has agreed (generally or specifically) that the document or information may be sent or supplied in that manner and has not revoked that agreement.

## **17. Accounts**

The accounts of the British Council shall be made up for each financial year and shall be audited in such a manner as is required by law.