

Minutes of a Meeting of the Foundation Board

Goldsmiths Centre

Friday 27th September 2013

The Board

Steve Freer (Independent Chair of Audit and Risk) **Apologies**

Don Hayes (TSNLA/AELP)

Lynsi Hayward-Smith (AAETO)
Apologies

David Hughes (Chair)

John Hyde (AELP) **Apologies**

Christine Jeffery (AELP)

Asha Khemka (AOC)

Peter McCann (AOC)

Mark White (AOC) **Apologies**

Officers In Attendance

Duncan Anderson- Brown – Interim Director of Finance

Julie Binns - Director of Finance & Business Services

Peter Davies - Interim Chief Executive

Claire Gill – Interim Director of Communications and PR

Laura Lucas – Administrator (Minutes)

Steve Poland - Interim Director of HR

David White - Interim Head of Implementation

1. Apologies for absence

Apologies for absence were received from Mark White, John Hyde, Steve Freer and Lynsi Hayward Smith.

The Board accepted these apologies.

2. Declaration of personal interest in agenda items

The Chair declared an interest, as CEO of NIACE, in item 12 on the agenda and stated that he would leave the Chair at that point because it was likely that NIACE would be bidding for Foundation work.

3. Minutes of the meeting held on 1ST August 2013

The minutes from the meeting of the 1st August 2013 were reviewed by the Board.

It was agreed that:

The Board approve the minutes of the meeting held on 1st August 2013, and approve the public minute for publication.

The Board approve the confidential minute of the meeting held on 1st August 2013.

4. Matters Arising

Item 6 – An updated iteration of the Delivery Plan which included input from BIS and Chris Jeffery (AELP) had been circulated with the papers and was noted.

Item 7 - A revised version of the Schedule of Delegation had been submitted to the Chair and was circulated with the papers and was noted.

5. Recruitment

(i) Appointment of Chair and CEO

Directors received a verbal update on the progress made with regard to the appointment of the Chair and the CEO. There had been 18 completed applications for the Chair role and 25 for the CEO. Shortlisting had been completed for the Chair role and 3 candidates had been taken forward to interview. Shortlisting for the CEO role would be completed after the Board meeting. Interviews for the Chair will take place on the morning of the 4th October 2013 and initial interviews for the CEO post would take place that afternoon. The incoming Chair would then be invited to be part of the final decision-making process for the CEO, probably meeting the final shortlist to finalise the offer.

It was agreed that that the selection panel for the Chair and the CEO had the delegated authority to make both appointments, without a formal Board meeting, but that the Chair would inform fellow Directors by e-mail as soon as the decisions have been made.

(ii) Recruitment – Foundation Team

The Board received a report from the Interim Director of Human Resources which detailed the recruitment strategy for both interim and permanent appointments.

The recruitment window would close on 14th October 2013.

The Board requested a copy of the organisation chart which detailed the substantive posts already filled.

ACTION SP

It was agreed that the revised structure and recruitment process be noted.

6. Appointment of Directors

The Board received a report from the interim CEO which brought forward nominations for learner and workforce representation. The paper also advised the

Board of the most recent legal advice in relation to the appointment of the Chief Executive as a Director/Trustee.

The Board reinforced its commitment to have a wide set of perspectives amongst the Directors and was pleased with the progress made with regard to both a learner and a practitioner being appointed to the Board. A long discussion was held about the challenges of appointing two people given the diversity of learners and providers in the sector. The conclusion was that working with NUS and the unions and IfL would be the best course of action.

It was agreed that

The NUS would bring forward a proposal to the next meeting of the Board that the NUS Vice-President Further Education be appointed as a Director in order to provide a learner perspective to the business of the Foundation Board

The Board would invite the unions and IfL to propose one nomination for a practitioner from the sector workforce.

The Board note the legal advice and set aside the implementation plan recommendation that the CEO become a Director/Trustee of the Foundation.

7. Programme Evaluation Framework

The Board received a paper which updated on progress towards the Foundation's commitment to having evaluation and impact measures in place from inception, and establishing an evaluation framework as the basis for this.

An invitation to tender for work to develop an evaluation framework for the foundation was issued to five organisations, all with relevant expertise and track records in undertaking similar work, in early September. The Board expressed strong support for making sure that a clear evaluation framework was in place as soon as possible to ensure that the Foundation embedded impact measures into all of its work and particularly into the procurement and commissioning of new delivery. It was noted that all work programmes and specifically their impacts would be measured using this framework.

It was agreed that the report and appendix be noted.

8. Communications and Sector Engagement Strategy

A report and strategy document was presented to the Board in response to their request for a detailed communications and sector engagement strategy.

The strategy document was thorough and included a set of values and narrative about the Foundation, outlined the positioning and context of the Foundation, through from concept to initial delivery plans and focused on external communications and engagement. The Board was very concerned that we improve the communications and engagement with leaders, governors and practitioners in the sector as well as with other stakeholders.

Internal communications development would be done in association with business process development and the development of the IT strategy, and would seek to enable efficient and effective operations for all who work for the Foundation, including in their external communications and engagement activities. The paper proposed that a secure web based file sharing system be used to communicate with Directors.

In discussion it was also recommended that we should consider:

- A 'you said - we did...' section
- More work on the values of the Foundation to include working to enhance learner achievements, ambition for the learners and for the sector, alignment with economic and social goals and celebration
- Celebrating achievements as we move forward
- In the core narrative not enough had been said about what, why and how we were planning to consult with the sector.

It was agreed to:

Approve adoption of the overall approach to communications and engagement, and support the implementation of this strategy and in light of the discussions at the meeting a fortnightly briefing for Directors would be produced.

ACTION CG

9. Appointment of Auditors

The Board received a report from the Interim Director of Finance which outlined the tender process and outcome of the appointment panel.

It was agreed that:

KPMG be appointed as auditors for the Foundation for the period to 31st March 2015, with the option to extend based on performance for a further 3 years.

The Board noted that Baker Tilly would be invited to support the Foundation with development of new systems and processes during the transition phase to March 2014.

10. Role and Remit of Expert Panels

The Interim CEO had circulated a paper which reviewed the role and remit of expert panels. The paper was accompanied by an analysis from Baker Tilly which outlined a basis on which the Foundation might proceed. The Expert Panels were always seen as critical parts of the infrastructure and workings of the Foundation and the Board was pleased that progress has been made in fully thinking through how they might operate effectively.

The Board were very supportive of the direction of travel and particularly the clarity of purpose of the Expert Panels: defining what it is they think the sector needs, based on the evidence from the sector; informing the Board to decide delivery priorities; setting specifications for the programmes the Foundation commissions and procures;

reviewing programme proposals before they are delivered, and receiving evidence of their impact.

It was agreed that:

The expert panels would be chaired or co-chaired by a member of the Foundation Board alongside a sector expert who would be appointed by the Board. It was envisaged that the panels would meet four times each year. The next step is to begin an open process for recruiting the sector experts and the panel members.

11. Budget and Financial Statement

The Board received a paper which detailed the finances of the Foundation and the budget for the financial periods ending 2013/14 and 2014/15. The paper contained details of the combined budget for the 8 months to 31st March 2014 and for the 12 months to 31st March 2015 together with income assumptions for the same period. The Board noted that overheads have been kept to below the 15% target of funding (£2.7m this year).

It was agreed that:

The Board note this financial update and defer approval of the budget surplus for 2013/14 and 2014/15 pending the determination of a reserves policy be written and brought to the next meeting of the Board

ACTION DAB

12. Commissioning – the way forward

The Chair passed to Asha Khemka for this item.

The Interim CEO presented a paper to inform the Board about developments in the way the Foundation proposed to move forward with commissioning work and specifically our relationship with the Sector Membership Bodies. A letter which had been sent to the CEO's of the Sector Membership Bodies had also been circulated along with a copy letter from BIS advising on their view.

The Board noted the report and verbal update at the meeting and the proposed way forward around continuation and open tender. This is clarified in the joint letter from the Interim Chair and Interim CEO to all sector leaders (attached).

It was agreed that:

The Foundation would always be transparent and open in its commissioning and requested that a paper be circulated to Directors outlining continuing and pipeline activity.

ACTION CEO

David Hughes resumed the Chair.

13. Charitable status

The Board noted that the Foundation had been granted Charitable Status and also received a background report which outlined queries raised by the Charity Commissioner on the Foundation's application for Charitable Status and which confirmed our clarification and response.

The letter from the Charity Commissioner and responses drafted and submitted by our legal team at Mills and Reeve in dialogue with the Interim CEO were shared with the Board.

It was agreed:

That the report and the attainment of Charitable Status be noted.

14. Report of the Interim Chief Executive

The Board received and noted a report from the Interim Chief Executive which gave details of current operational matters and forward strategy. The Board recognised that the Foundation has a very challenging few months and that some aspects of the implementation plan are behind where we hoped to be by now but were confident that action was being taken to move forward quickly.

15. Any other business

The Board noted the Appointment of Mills and Reeve as Legal Advisers to the Foundation.

Signed.....

Date.....

David Hughes
Interim Chair