

Meeting of the ETF Board

Date: Thurs 28 June 2018

Time: 13.30 – 17.15

Venue: ETF, 157-197 Buckingham Palace Road, London SW1W 9SP

Present

Zayn Azam

Sally Dicketts CBE (departed at 4.30)

Steve Freer (Chair of A&P Committee and SID) (departed at 4.45)

Don Hayes MBE

Lynsi Hayward-Smith (departed at 4.00)

Dr Nigel Leigh OBE (departed at 4.55)

Paul Mullins OBE (Chair)

Florence Orban (arrived at 2.15)

Mick Ord (departed at 4.30)

Dr Sue Pember OBE

Dan Williams (Chair of SET Management Board)

Apologies

Mark White OBE DL (Chair of Finance & Resource Committee)

Dr Gina Hobson, Head of CEO's Office and Company Secretary

In attendance

Sherrie Hughes, Minute Taker

Jenny Jarvis, COO

John Sills, Director of Finance & Resources

David Russell, CEO

Minutes

1. Apologies and Welcome

Apologies for absence were received from Mark White and Dr Gina Hobson.

2. Declarations of Interest

Steve Freer advised of his role new as Chair of Northamptonshire County Council's Improvement Board. Paul Mullins advised of his new role as Director of MWS Technology (which provides an apprenticeship management software system). **The Board noted the new declared interests.**

3. Minutes

The minutes of the Board meeting held on 15 March 2018 were approved as an accurate record.

4. CEO and COO Reports

The CEO and COO provided an overview of ETF's current position and gave updates on other business. They confirmed that the DfE Review milestones were on track and the change programme, SHAPE, was progressing well.

The Board noted that QTLS and SET did not achieve the forecast 2017-18 year full year targets and that prescription charge income had performed strongly. The Board sought clarification regarding the reasons for the reduced QTLS take up and noted the changes made to the scheme. The CEO stressed

the importance of allowing time for the QTLS and ATS strategy to be fully implemented, and reminded the Board that SET had grown by 12% in one year, which was good growth for a membership body.

The Board noted the CEO and COO Report.

5. ETF's Position and Strategic Planning

The CEO presented his 'new world' presentation and explained the relationships between the three key strands: the new DfE relationship, commercial opportunities and authoritative voice. The Board noted that commercial opportunities incorporated any activity not funded by DfE grant. The CEO outlined the actions that was being taken in the three strands, which included increasing our sector and media presence. He set out high level success measures against these strands, and detailed the risks and barriers.

The Board noted the shift in positioning from being Further Education's improvement body to FE's workforce development body and the consequential implications for ETF's activities (including multi-year work, bidding, partnerships). The Board sought clarification regarding how the Executive was preparing for greater commerciality (including value for money) in its partnership and supply chain working. The COO detailed how the SHAPE programme would introduce necessary training, along with establishing standards and effective practice across these key elements of the business.

The Board discussed the importance of the relationship with DfE, the need to meet DfE's changing expectations as contract work increased, ensuring that sector needs were met, and remaining open to developing other relationships (e.g. further developing work with MoJ and MoD).

The Board noted the CEO's presentation.

[Florence Orban joined the meeting]

5.1 ETF 3-year Strategic Plan

The CEO introduced the Strategic Plan and confirmed it had been written for two key audiences: the ETF Board and the public (via publishing on the ETF website). The Board reflected that this had created some challenges when reviewing the document and it would prefer separate documents for these two audiences. Trustees provided feedback for the Executive to consider and reflect in updated versions of the Strategic Plan.

The Board suggested that the following could be reflected in the document: FE sector background, highlighting the challenges and change; clear outcomes and how these will be achieved; and greater confidence in our authoritative voice. The CEO was asked to retain his focus on a strategy for the ETF, rather than a sector strategy. He was encouraged to consider visually representing some of the additional content.

The Board noted the Strategic Plan; it agreed the Plan focused on the correct priorities. The Board asked that the CEO consider the Board's feedback and provide two updated versions of the document for discussion.

5.2 SET Strategy and Operational Plan

The Board received a presentation from the Chair of the SET Management Board (SMB) and the COO on the SET Strategy. They shared insight into SET priorities, past and current targets, operating principles, and provided more detailed membership management information. They confirmed that SET's strategy was based on three concepts: i) being easy to do business with; ii) meeting member needs; and iii) building a loyal membership base.

The Board sought further detail regarding how the Executive ensured that current and prospective member needs were being met. It noted that local network groups were a key part of the strategy and that recent staff recruitment had significantly built the Executive's expertise in membership bodies. Trustees discussed the corporate partner offering and made a number of suggestions regarding: developing the workforce development offer for partners; targeting merged colleges; and retaining the

individual member relationship with SET.

The trustees noted that investment capital available to ETF (and SET) was limited and asked that the Executive remain focused on testing and ensuring the continued value of SET to ETF. **The Executive will consider the Board's recommendations and build into its strategy and planning.**

5.3 Bidding

The Board received a presentation from the COO, who outlined ETF's position regarding two forthcoming bids. She shared the known details regarding the two unpublished bids and ETF's bidding approach. The Board sought further detail regarding: likely competitors; budgets and available resources; support trustees could offer; key messages; and our engagement with key DfE officials.

The Board welcomed the update and reiterated its offer to provide support where appropriate.

5.4 Reporting Our Progress: a Balanced Scorecard

The Director of F&R tabled a template Balanced Scorecard and confirmed the key areas being measured: ETF's relationship with Government; its relationship with other stakeholders; impact and evaluation; people; and systems. He sought feedback on whether this format would provide trustees with the level of insight required to form a judgement regarding whether ETF was doing its job well.

The Board noted that one of ETF's Committees would have the opportunity to review the Scorecard in more detail, in addition to its being shared with the Board. The Board asked that the Scorecard not be extended over additional pages and whether mitigations could be added where an area had been rated as red.

The Board noted the update and asked that it have the opportunity to consider again at its next meeting.

6. Models of Governance

The Board received a paper which provided background information and posed a series of questions on which it was asked to agree its position. The Board recognised that it had ultimate responsibility for the governing of ETF, but that the Members had responsibility for approving or otherwise any governance changes which required amendment of the Articles.

Following discussion, the Board agreed the following recommendations:

- An extended Membership group be created of up to 15 Members, comprised predominantly of organisations, with some individuals included if appropriate to ensure diversity and coverage of key constituencies;
- The key constituencies which should be represented in the expanded membership group were: GFE colleges, Adult Education, ITPs, third sector providers, Sixth Form Colleges, employers, teachers/trainers/lecturers, learners/apprentices, specialist SEND providers, and teacher training.
- New Members should be appointed by current Members as per the current Articles. The Board should draw up a process for recommending potential new Members to the existing Members for appointment.

[Lynsi Hayward Smith left the meeting]

- All Members should be appointed for a defined term with a degree of flexibility to enable an appropriate level of continuity.
- There should be one class of membership where all the Members have the same powers.
- The Board must have the right blend of experience, skills and insight to fulfil excellently its duties to the ETF. It must be balanced and have good diversity of skills and other relevant characteristics. The Board recommended that the model provided represented a good balance.
- Trustees should be appointed by an open and competitive recruitment process whereby:
 - Board-appointed trustee vacancies were publicly advertised and applications from any individuals who met the person specification were welcome

- The Board's preferred option is that the Board make all trustee appointments. Any member-appointed trustee vacancies (if applicable) were advertised to their respective memberships. The Member(s) consulted and sought the support of the Board on the role description and person specification, ensuring that diversity criteria were addressed through the recruitment process.

[Mick Ord and Sally Dicketts left the meeting]

The Board noted that these recommendations would be discussed with the Founding Members.

[Nigel Leigh, Steve Freer, Jenny Jarvis, John Sills and Sherrie Hughes left the meeting]

7. Staff remuneration 2018-19

Confidential item

8. Any Other Business

The Board noted that the Company Secretary would seek feedback from trustees on trustee induction and training. The Board noted that the Board residential had been postponed to early 2019 and that the Company Secretary would confirm 2019 dates as soon as possible; a Board meeting with an early evening dinner would take place on Wed 17 October 2018.

Signed

Paul Mullins
Chair