

Meeting of the ETF Board

Date: Thurs 30 July 2020

Time: 1.30-3pm

Venue: Video conference via Microsoft Teams

Present

Sally Dicketts CBE

Jon Graham

Prof. Peter Latchford OBE (Chair)

Andrew McConnell OBE

Rachel Musson

Florence Orban

Mick Ord

Ruth Spellman OBE

Apologies

Zayn Azam

In attendance

Mike Harvey, Director of Business Strategy

Dr Gina Hobson, Governance Director and Company Secretary

Jenny Jarvis, DCEO

Kate Jones, Governance Officer

Adrien Laure, Director of Finance and Business Intelligence

Alison Morris, Director of Delivery

David Russell, CEO

Minutes

PART A - GOVERNANCE

A1. Apologies and Welcome

The Chair welcomed the Board and Executive to the meeting. Apologies for absence were received from Zayn Azam. The Chair congratulated Sally Dicketts on her appointment as President Elect of the AoC. The Chair reminded the Board of the ETF values and asked that trustees have them in mind when they came to reflect on how the meeting went at the end.

The Board noted that the register of interest would be updated to reflect Sally Dicketts' roles.

A2. Queries under Part D (Information Pack)

The Board received the Business Performance Reports and supplementary information within the Information Pack. The Company Secretary confirmed that a number of questions had been received from trustees on the material and that these would be responded to, in full, via e-mail.

With regard to the policies presented for approval (Capitalisation policy, Anti-Fraud policy, Expenses policy, Suppliers & Payments policy and procedure, Treasury & Investment policy), the Board confirmed its approval except for the anti-fraud policy which needs a further update. **The Board asked that the Audit Chair consider the feedback on the Anti-Fraud Policy with a view to making changes. The Policy will be brought back to the Board for final approval.**

The Board received the audit-required reverse stress-test and noted it provided various worst-case scenarios showing the potential impact of Covid-19 on cashflow. The Board noted that the paper showed ETF was in a strong cash position and that there was no indication that income would be under material stress during the financial year. Trustees noted that it was an audit requirement for all organisations to

carry out this test and that it would be referred to in the annual accounts. **The Board noted the paper and confirmed its confidence in the ETF's financial strength for statutory audit purposes.**

PART B – STRATEGY AND RISK

B1. Strategic and operational risks

In addition to the regular business reporting pack, the Executive provided the Board with a 'talking heads' discussion between the CEO and DCEO regarding current strategic and operational risks in advance of the Board's meeting. The Trustees welcomed the innovation and encouraged the Executive to make more use of technology in this way.

The Board reflected on the update. It noted that: economic pressures were being felt across Government departments, and it was alert to the potential impact this could have on ETF's relationship with the DfE; there were significant financial uncertainties and challenges being faced across all parts of the FE sector, and particularly adult education and ITPs; and demonstrating impact continued to be a high priority for the ETF, alongside being able to demonstrate value for money. The Board also reflected on the importance of ensuring clear and relevant communication of ETF's value proposition to multiple audiences.

The Board noted the update.

B2. ETF Strategy 2020

The CEO and DCEO provided the Board with a presentation giving an overview of the journey taken so far to review the ETF's strategic objectives. They then presented the proposed strategic objectives and early thinking regarding planned investment propositions. The Board noted that the exercise had provided the Executive with a sophisticated understanding of how we need to progress the objectives. It provided its initial and positive response to the updates and encouraged the Executive to ensure it had considered internal bandwidth when determining which objectives to pursue and when. The Board noted that the follow up processes would involve considering the impact, reach and success measures associated with the activities which would aim to achieve the objectives, along with any financial investment.

The Board welcomed the update. Trustees were encouraged to share any further feedback on the strategic objectives in the days following the meeting and noted that the Executive would progress with developing plans based on the objectives presented. The Board asked that a further (optional) meeting be arranged for trustees to share their thoughts on how the strategic objectives would be operationalised. The Board agreed that the Chair would discuss bandwidth challenges with the CEO and DCEO.

B3. Additional risks escalated by the Audit & Risk (A&R) Committee

The Audit Chair reported on the discussions held at the A&R Committee meeting on 15 July. The Board noted and agreed the recommendations from the Committee regarding the top five risks facing the charity, along with the accepted risks.

The Board agreed that it should complete an exercise to determine its risk appetite and asked that the Audit Chair form a subgroup to progress this in the first instance, which would subsequently report back to the Board.

The Board also noted that the Audit Chair had discussed the climate risk with the CEO and an action plan was being progressed.

PART C – REVIEW AND WRAP-UP

C1. Board and Committee meeting dates and review of the meeting

The Board noted that the Executive and A&R Committee were exploring re-scheduling the October Committee meeting due to availability issues. **The Company Secretary confirmed that she would be in touch with Trustees to present proposed dates for the 2021 governance meetings, having considered how they might be more evenly spaced throughout the year.**

The Chair invited the trustees to share their reflections on the meeting.

C2. Any Other Business

The Board noted that a minor change had been made to the May 2020 meetings minutes and these were approved.