



Meeting of the Foundation Board

Date: Tuesday 11 October 2016

The Chair welcomed ~~Chair Paul Mullins~~, to his first Board meeting and invited him to provide a overview of his position over the coming months.

2. Conflicts of interest

Standing ~~conflicts of interest~~. In addition, the Directors and the Executive declared the following additional interests: Lynsi Hayward Smith, ~~Chair of the Hertfordshire Adult and Family Learning Service~~; David Russell, co-opted to Curriculum and Standards ~~Sussex Downs College~~; ~~Member of Advisory Panel, Westminster Kingsway College~~; Frank McLoughlin ~~Chair of the National Rail College~~; and Helen Pettifor, ~~Independent Governor, Woodhouse College~~. The Board also noted that Paul Mullins had been appointed as Chair of the FE Restructuring Facility External Advisory Panel. The Chair stated that the ~~minutes must remain confidential with the exception of a small number~~

He reported to the Board that an article had been published in the Times Education Supplement (TES) which contained an inaccurate account of confidential ETF Board discussions. He ~~and~~ ~~the Board~~ and ~~the Executive~~ ~~effectively~~ if it had mutual trust and confidence that confidential matters could be discussed with the expectation that they would remain confidential and not be subsequently shared ~~outside the membership of the Board~~.

3. Minutes

The minutes of the Board meeting held on 7 July 2016 were approved.

4. CEO Report

The CEO ~~presented~~ his CEO report. He reported that the Functional Skills project was at a critical

6. 2015-16 Audit and Annual Report and Financial Statements
[Heather McCabe, KPMG, joined the meeting]

6 (a) Auditor management letter

The Board received the audit highlights memorandum and management letter from KPMG. Heather McCabe reported that there were no material issues raised during the audit and the audit process had progressed smoothly. The Board noted the report.

6 (b) Draft ETF Trustees' Report and Financial Statements

The Board received the draft 2015-16 **Trustees' Report and Financial Statements**, as recommended by the Audit & Performance Committee. The Board drew the Board's attention to the fact that the draft report included a proposal to create a strategic reserve of £0.1m. The Board agreed to approve the draft 2015-16 **Trustees' Report and Financial Statements**, including the creation of a strategic reserve out of general funds.

6 (c) ETFS Director's Report and Financial Statements

The Board received the 2015-16 Director's Report and Financial Statements for ETF Services Ltd. (ETFS). The Board noted that ETFS operated provided customer service and payment administration services to ETF in connection with the QTLS accreditation. The Board received the Director's Report and Financial Statements and noted that a director would be appointed to ETFS from the ETF Board.

6 (d) Letter of representation to the Auditor

The Board received its representation letter to KPMG and, having obtained reassurance from the Executive that all relevant matters had been brought to the Board's attention, agreed that the Chair could sign the letter.

[Heather McCabe, KPMG, joined the meeting]

6 (e) Auditor re-appointment

The Board received the Audit & Performance Committee's recommendation regarding the re-appointment of KPMG as the auditor of the Company. The Board noted that the re-appointment would be subject to an open tender exercise for the 2016-17 financial year. The Board sought reassurance from the Executive regarding the process.

7. (b) Historic data and analysis 2015-16

[The Board received a presentation from the A&P Committee on 10.10.2016. The Board noted that the material was reviewed by the Committee and was excused for this item]

The Board noted that the A&P Committee had reviewed the material for 2016-17. The Chair of the A&P Committee confirmed that similar material had been reviewed by the Committee in 2015-16. The Board noted that the material was reviewed by the Committee and was excused for this item.

that all the contracts for 2015-16 were awarded on a competitive basis and that the Board noted that the internal auditor had been asked to review the procurement process. The Board noted that the internal auditor had been asked to review the procurement process and that Board members were not involved in the procurement decision making process. The Board noted the report.

8. Support for Education Authorities

[Alison Morris, Head of TVET, joined the meeting]

The Board received a presentation from Alison Morris which summarised the support being provided to the sector and apprenticeship standards. The Board thanked Alison for the informative presentation and agreed it was an important piece of work for an officer to be responding to sector need.

[Alison Morris left the meeting]

9. Branding

[Isidora Markou,

11. 2016 AGM and Director rotation

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The Board noted that ~~the Chair had thanked Dame Asha Khemka for her contribution to the Board and~~ the Board then asked the Chair to convey its thanks to Dame Asha Khemka, who ~~had indicated that she would not~~ would not

~~The Board then~~
Barbican Centre.

on Thurs 8 December 2016 at the

[*Steve Freer returned to the meeting*]

12. Any other business

~~the Chair~~ updated the Board ~~on the commitment process~~ for the two independent director Board vacancies. He reported that ~~the Chair had taken place shortly~~ after the AGM on 11 November 2016.

~~the Chair~~ reported that ~~the Chair had received a letter~~ by the CEO of WorldSkills UK to ~~the Chair~~ on a formal ~~partnership~~ ~~between the two organisations~~ ~~CEO~~ ~~of the two organisations~~ formal proposition and that ~~the Chair had received a letter~~ ~~from the CEO of WorldSkills UK~~ ~~recommending~~ recommendation to the Board for consideration.

Signed

Paul Mullins

~~Chair~~