

**MINUTES OF THE TWELTH MEETING OF SVUK BOARD HELD AT
CHAMBER OF SHIPPING, CARTHUSIAN STREET, LONDON, EC1M 6EZ ON
TUESDAY 8 JULY 2008**

Present

Professor Derek Fraser (Chair)
Mike Allmond, Director
Sara Mogel, Director
Sue Brown, Director

Also present:

Susan Edge, Chief Officer, SVUK
Dr Tony Holloway, Executive Director, Corporate, LLUK
Sonia Modray, Interim Finance Director, LLUK
John Clark, Verification Services Manager, SVUK
Mary Corbally, Standards Verification Manager, SVUK

Agenda item 1: Apologies

1. Apologies were received from:
David Hunter, Chief Executive, LLUK
Steve Drowley, Director

Agenda item 2: Minutes of meeting held 11 April 2008, London

2. Subject to the following amendments, the minutes were approved as an accurate record.

Paragraph 9 – Bullet point 1 to be amended to read as:

The facility now needs to **be** widened externally **to** allow for efficient practice such as virtual panels.

Paragraph 11 – Final sentence, “and” to be removed to read:

The Board accepted and approved the submission.

Agenda item 3: Matters arising

3. Nominations for a 6th board member – The board was advised that Sir David Melville had identified a potential 6th board member with relevant experience in the FE sector. However, the invitation had been declined due to existing commitments. The Nominations Committee had been advised of the need for a further search.

It was agreed that the Institute of Directors, Chamber of Commerce or Union Learning (TUC) should be approached for suitable nominees.

ACTION: EXECUTIVE DIRECTOR, CORPORATE

4. The board agreed to adopt the terms of reference of the following joint committees of LLUK and SVUK which were circulated in November 2007:

- Audit Committee
- Nominations Committee

5. The board also received the terms of reference for the joint LLUK and SVUK Remuneration Committee, and it was agreed that these should be reviewed by the board prior to approval and acceptance. A resolution to adopt the terms of reference will be circulated to the board members for agreement under chair's action.

ACTION: COMPANY SECRETARY

6. The board confirmed that the SVUK Customer Charter had been approved and that this item should be formally adopted.

Paragraph 10 of 11 April minutes: The Year Ahead

7. It was confirmed that the amended Strategic Plan 2008–11, which now also includes the SVUK Customer Charter, had been circulated to board members.

Paragraph 26 of 11 April minutes: Corporate Business

8. It was reported that a consultant was currently working on the LLUK/SVUK Memorandum of Understanding, and good progress has been made. This will be reviewed and discussed by the chair and chief officers of LLUK and SVUK, and it is anticipated that it will be presented to the board at the October 2008 meeting.

ACTION: EXECUTIVE DIRECTOR, CORPORATE & CHIEF OFFICER

Paragraph 27 – 11 April minutes: Any Other Business

9. The board received and noted the confirmed minutes for the LLUK Council meeting held on 12 March 2008.

Paragraph 28 – 11 April minutes: Any Other Business

10. The board was advised that dates would be provided to coincide with the timings of the relevant committees.

ACTION: DEPUTY COMPANY SECRETARY

Paragraph 29 – 11 April minutes: Any Other Business

11. Additional bank signatories were discussed under the agenda item relating to the appointment of the Company Secretary.

Agenda item 4: Declarations of interest

12. There were no relevant declarations of interest for this meeting.

Agenda item 5: Chair's report and business

13. The board held a private meeting of the directors and, when reconvened, the chair advised that the board members felt strongly about the importance of ensuring that the timing sequence of the board meetings should take account of the dates on which other committees met. This would enable, where necessary, due and proper consideration by the board of matters dealt with by other committees.

14. The board wish to have an annual calendar of meetings. Year 1 should be firm dates and Year 2 should outline anticipated dates.

ACTION: DEPUTY COMPANY SECRETARY

15. Additional meetings of the board should be held as often as required. Standing items should be identified, related to the need to meet any external or internal requirements, and these should feed into the timetable of the meetings.

Agenda item 6: Board Members Report

16. Audit Committee – it was reported that the Audit Committee had met on 23 June 2008, and the board was advised that the Audit Committee's prime function related to the oversight of Governance and Risk Management matters as they affected the group, with particular reference to the Corporate Governance Statement within the annual accounts. Their remit did not include the review of accounting policies, nor the financial data within the annual accounts, these being the remit of the Finance and General Purposes Committee.

17. Finance & General Purposes Committee – it was reported that the F&GP Committee had met on 9 June 2008, the main items of business being the adoption of the budget for 2008-09, and the consideration of the matters raised in the auditor's management letter on the 2006-07 accounts. The Executive Director, Corporate reported that discussions had been held with lawyers and the external auditors, and he was confident that a way forward had been identified which should ensure a clean audit opinion for the 2007-08 accounts.

18. The board was advised that the Audit Committee had received a positive report from the recently completed internal audit on SVUK creditor payments. The minute of the Audit Committee reads that *"The auditors' report was issued with substantial assurance, a positive result. There are three recommendations relating to minor issues. The chair of the Audit Committee asked for their thanks to be communicated to SVUK for this good report."*

Agenda item 7: Chief Officer's report of activities since the last Board

19. The Chief Officer introduced paper 28/08 – Narrative Progress Report (April – June 2008) and explained that the format and order of the items had been amended to reflect the business plan for ease of reference. The board received and accepted the report and, in the discussion, the following commercial in confidence points were made:

- **Endorsement** – The impact of delays in obtaining decisions due to the movements of key contacts within DIUS.
- **Recognition** – This is a rolling scheme and the lack of deadlines is slowing the volume of applications received.
- **Tariff** – Assessment of teachers personal skills could be demonstrated by proxy evidence and this will be an opportunity for the Tariff.
- **Commercial Services** – The Bespoke Accreditation Scheme for the LSC's national employer service provides a significant opportunity for exposure to corporate business areas and potential for future income generation.

20. The Chief Officer introduced paper 29/08 – Progress report on updated 08-09 Business Plan (April – June 2008) and the Board received and accepted the report.

21. The Chief Officer introduced paper 30/08 – SVUK panel terms of reference for Endorsement in Wales 19/08 and the Board received and approved the submission for adoption.

Agenda item 8: Financial Reports

22. The Executive Director, Corporate introduced paper 31/08 Financial Report together with Annex A Income and Expenditure account for the 2 months to the end of May 2008

and Annex B Balance Sheet as at 31 May 2008. The board received and accepted the report. In the discussion, the following points were also made:

- It was noted that the year to date actual and forecast differed due to a number of operational issues, however, at this point in the financial year, it does not pose a significant cause for concern.
- The board noted and accepted the Income & Expenditure account to 31 May 2008. It was noted that the income now reflects the value of the contracted work and not internal transfers.
- The board noted and accepted the Balance Sheet as at 31 May 2008.

Agenda item 9: Corporate business

23. The Executive Director, Corporate provided an update to the board on the appointment of Ivor Jones, Deputy Chief Executive Officer, Executive Director Strategy and Business Development and also the appointment of Cengiz Ali as Head of Human Resources.

24. There was further discussion on progress following Business Transformation in LLUK. There would be an emphasis on the importance of the role of line managers, and the proposed senior management team will be expected to play a significant role in the operational implementation of strategic decisions.

25. The Executive Director, Corporate introduced the Committee report template paper 32/08 which provides a focused approach to the presentation of board papers. It was agreed that this format would be adopted for the period of one year and then the suitability of the format would be reviewed.

26. The Executive Director, Corporate introduced paper 33/08, the resolution for the approval of a new SVUK Company Secretary. It was agreed by the board to appoint Dr Tony Holloway to the position with immediate effect.

27. The board also resolved that Dr Tony Holloway and Sonia Modray be added to the list of authorised signatories for SVUK.

Agenda item 10: Any other business

28. An initial meeting of licensing bodies that use LLUK's standards and qualifications in a "gatekeeping" role has been organised for Thursday 10 July in London to explore the remit and responsibilities of each body.

Date and location of next meeting

29. It was agreed that the next SVUK board meeting would be held on:

8 October 2008 @ 11:00

Location - SVUK Boardroom, 4th Floor, 36 Park Row, Leeds

SVUK
July 2008