

**MINUTES OF THE NINTH MEETING OF SVUK BOARD HELD AT THE  
CHAMBER OF SHIPPING, CARTHUSIAN STREET, LONDON, EC1M 6EZ ON  
TUESDAY 30 OCTOBER 2007**

**Present**

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

*Also present:*

Susan Edge, Chief Officer, SVUK  
Heather Wood, Company Secretary, SVUK, & Director of Corporate Services, 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 of Lifelong Learning UK and Jacqueline Turner, Interim Finance Director

**Agenda item 2: Minutes of meeting held 24<sup>th</sup> April 2007, Leeds**

2. The minutes were approved as an accurate record.

**Agenda item 3: Matters arising**

***Paragraph 4 of previous minutes: Investors in People***

3. The Chief Officer reported that the liP logo is now in use on SVUK letterhead.

***Paragraph 14 of previous minutes: Office Space***

4. The Chief Officer reported that the lease for the additional Leeds Office had been secured and the offices were now occupied.

***Paragraph 18 of previous minutes: strategy for investments, reserves, dividends and gift aid***

5. Agenda item 8 provided update paper 28/07.

***Paragraph 22 of previous minutes: SVUK Budgets***

6. The Chief Officer reported in the absence of the Interim Finance Director, that the re-profiled Budget Forecasts for 07-08 had been received and Agenda item 8 provides update paper 24/07.

***Paragraph 27 of previous minutes: Review of Pay Structure***

7. The Chief Officer reported that the paper had been received and Agenda item 9 provides update paper 27/07.

It was also reported to the board by the Chief Officer that DfES had now split into two departments and the existing contracted work now relates to Department for Innovation Universities & Skills (DIUS)

Heather Wood reported that LLUK Council had agreed to publish minutes on the Internet before they had been confirmed. It was possible that Council papers would also be published. The Board discussed the confidential nature of SVUK papers and agreed to adopt the Group policy with the proviso that paragraphs of the minutes relating to confidential or sensitive issues would be withheld. Publication would however be delayed pending approval of the minutes.

**Agenda item 4: Declarations of interest**

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

**Agenda item 5: Chair's report**

9. **5<sup>th</sup> Board Member** – It was reported that a potential 5<sup>th</sup> Member had been identified from Community Learning Development and had been approached. However, as he had moved to an organisation where the Initial Teacher Training provision is regulated by SVUK there was now a potential conflict of interest. He was exploring this with his senior management.

Chair believes this is a manageable situation which should not necessarily preclude an individual being a member of the Board. The Board felt that consideration should also be given towards appointing a 6<sup>th</sup> Board member to take account of increasing demands for representation on committees. It was agreed that recommendations should be requested from the Nominations Committee.

ACTION CHIEF OFFICER/COMPANY SECRETARY

10. **Governance Meeting** - The Chair reported that he had met with Professor David Melville, Chair of LLUK, to explore the model of LLUK's governance and both chairs agreed that it was important for LLUK to retain its arms-length, independent, quality assurance agency.

It was agreed both LLUK Council and SVUK Board needed revised Terms of Reference and it was appropriate now to have a Memorandum of Understanding between the two organisations. This could include the matter of any SVUK Reserves to meet its own obligations under the new Companies Act 2006.

The parent company is currently undertaking a restructuring/reorganisation and the MoU will need to recognise the alignment of components following Business Transformation.

It was requested that David Hunter provide an update at the next Board meeting explaining the LLUK structure and external role as a result of Business Transformation and re licensing.

ACTION: DAVID HUNTER

The Chair's report to LLUK October Council meeting which he attended would be circulated to Board members.

ACTION: COMPANY SECRETARY

11. The Chair explained that the terms of reference for three committees had been re-defined and SVUK was offered representation. The Board agreed to take up the places offered and the Board Members who would therefore represent SVUK are:

F&GP Committee – Sue Brown  
Nominations Committee – Sara Mogel

Mike Allmond already sat on the Audit Committee.

In the event that the SVUK members were unable to attend the relevant committee meetings, the Chair might attend as the SVUK representative. It was agreed that terms of reference for the various committees would be circulated.

ACTION: COMPANY SECRETARY

**12. Timing & Frequency of Board Meetings** - The Board recognised that due to the long period between April and October it is difficult to maintain continuity. The next scheduled meeting on 3<sup>rd</sup> January 08 would be retained which will allow time for strategic direction/time for review. Quarterly Board meetings linked to the calendar for LLUK Council and joint committees would be set.

**13. Audit Committee** - Mike Allmond reported to the Board on the recent Audit committee and the Auditors' comments. There has been a recommendation from the Audit committee that they meet again in December 07 and January 08.

**14. Appeals** - The Chair reported that he had approved David Holloway to chair the 2<sup>nd</sup> appeals panel for the Professional Recognition Learning and Skills (PRLS) scheme. The board were advised that the panel upheld the appeal of the appellant.

The procedure allows for a Board Member to chair an appeals panel or for the Board to approve a Chair with relevant subject expertise. It was agreed to establish a pool of Board approved chairs for appeals panels to ease the logistics of arranging the panel within the required time. Names and supporting information would be brought to the next Board meeting in January.

ACTION: CHIEF OFFICER

#### **Agenda item 6: Chief Officer's report of activities since the last Board**

15. The Chief Officer introduced paper 20/07 Narrative Progress Report (April – October 07)

**1.1** Update on staffing of SVUK and explained that there are currently 16 posts which equates to 13.4 FTE. Additional external consultants have been contracted taking the total to approximately 80. By comparison, in January 2005 when SVUK began operation there were 5 posts in the company and 4 members of staff.

**2.1.1.9** Demonstrates a step change in volume of applications in preparation for the change in regulations.

**2.2.1** The Welsh Assembly Government recently accepted new overarching Professional Standards for teachers, tutors and trainers in Wales. SVUK are still in discussion over the September 08 timescale for new qualifications to be available or whether this will be delayed.

**2.3.1** DIUS confirmation finally received for 5<sup>th</sup> November start.

**2.4.1** PRLS scheme to 2001 Regulations finally closed and all re-submissions processed. Awaiting deadline for any final appeals.

**2.6.1** The LSC contract clause should be in spirit of those regulated which could lead to Quality Mark business opportunities.

16. The Chief Officer introduced paper 21/07 Updated Risk Register and the Board accepted the submission. In the discussion that followed, the following points were made:

The Board requested that future updates include a commentary listing the changes and the reasons.

ACTION: CHIEF OFFICER

17. The Chief Officer introduced the updated Business Plan (paper 22/07) and the Board accepted the submission.

### **Agenda item 8: Financial Reports**

18. The Board received the Finance Director's Report and noted that clarification was needed on a number of issues:

- Why SVUK was audited as a charity despite being an "arms length business"
- Allocation of income into restricted and unrestricted funds
- SVUK's VAT status
- Clarification of the total Budget Income for SVUK Core paper 24/07

ACTION: INTERIM FINANCE DIRECTOR

19. The board noted the balance sheet paper 25/07 for 31 August 07.

20. The board considered the income & expenditure paper 26/07 year to August 07 but asked for clarification of some figures. It was recognised that there had been a significant improvement in the return of management accounts and that the outturn was still positive. The Board noted the appointment of the new interim finance director who will review the management accountant resource.

21. The Board received paper 28/07 and raised the following points:

- Advice was still needed on a reserves policy as the cost of closing down over 3-6 month period would fall on SVUK and not the parent company.

It is requested that a paper be provided to the next meeting clarifying where the reserves would come from and a realistic level to cover the calculated costs.

ACTION: INTERIM FINANCE DIRECTOR

### **Agenda item 9: Corporate business**

22. The Company Secretary introduced the update on LLUK Group paper 27/07 and the Board accepted the submission. In the discussion that followed, the following points were also made:

23. **General** - The parent company was currently undergoing Business Transformation. The rate of business growth of the business had increased pressures.

24. **Group Pay Review** - The review had been put on hold during Business Transformation and would re-commence shortly. Proposals would be discussed at the Employee Forum. It is likely this would result in 4 overlapping bands.

ACTION: COMPANY SECRETARY

25. **Sickness Policy** - The Board approved the Sickness Absence Policy but asked for a link to the Disability policy to take into account chronic illnesses.

ACTION: COMPANY SECRETARY

26. **Employee Forum** - SVUK has two elected members who attend in rotation.

27. **Business Transformation** –The HR team was working to identify placements for existing LLUK staff. The functions in the new directorates would have an impact on the Memorandum of understanding which will need amending to reflect the changes.

ACTION: COMPANY SECRETARY & CHIEF OFFICER

**Agenda item 10: Any other business**

28. Chair was pleased to report that he had been invited to attend the Guild HE Annual dinner on 5<sup>th</sup> November.

29. The Chief Officer invited all Board Members to attend the next SVUK Conference which will be held on 7<sup>th</sup> December in London. Details to be forwarded to the Board members.

ACTION: CHIEF OFFICER

**Agenda item 11: Date and location of next meetings**

30. It was agreed that the SVUK Board Meetings would be held in advance of the LLUK Board Meetings and to be aligned to G&GP/Audit Committees.

3/1/08	11:00	Board Meeting, Leeds
11/4/08	11:00	Board Meeting, London
10/7/08	11:00	Board Meeting, London (Amended)
8/10/08	11:00	Board Meeting and AGM, Leeds (Amended)

(Chair requested the changes in venue due to other commitments)

Dates of LLUK meetings dates to be confirmed to ensure suitability of planned dates for SVUK meetings.

ACTION: COMPANY SECRETARY

SVUK  
October 2007