

Date Subject Security classification	2 October 2018 ESFA Management Board <b>For publication</b>
Present	Members: Ian Ferguson (chair) (IF) Stuart McMinnies (SM) Mark Sanders (MS) Hunada Nouss (HN) Martin Spencer (MSp) Eileen Milner (EM)
	In attendance: Matthew Atkinson (MA) Susan Lovelock (SL) for Jennifer Coupland Sue Husband (SH) Rebecca Loveday (for Board Terms of Reference) (RL) Béatrice Lightfoot (BL) Peter Mucklow (PM) Mike Pettifer (by skype) (MP) Keith Smith (KS) Sarah Whitehead (SW) Portia Bailey (PB) Rose Oates (RO) Natasha Atkinson (notes)
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Apologies Jennifer Coupland (JC)

## 1. Welcome and introductions (lan Ferguson)

- 1.1. Board members had no interests to declare.
- 1.2. The Chair welcomed those new to the Management Board: Hunada Nouss (HN), Martin Spencer (MSp) and Stuart McMinnies (SM). New non-executive members provided a brief summary of their backgrounds and areas of expertise. Sue Lovelock (SL) was representing Jennifer Coupland.
- 1.3. There was one update to the minutes of the last meeting, which related to item 1.2. Rory Kennedy moved to a new role in Capital within the DfE. Keith Smith (KS) was the Director for the Apprenticeships Group, leading all aspects of work in this area.

ESFA Management Board Minutes of meeting on 2 October 2018 FOR PUBLICATION Page **1** of **6**  1.4. The action log was reviewed. Item 1 remained open. KS covered the other items, explaining that the National Audit Office (NAO) Review of Apprenticeships was a follow up value for money study. He undertook to share the terms of reference with Board members and provide indicative timelines for reporting.

# Action 1: KS to share the ToR document and provide an update to the Board on progress at the next meeting.

## 2. New team overviews and responsibilities

- 2.1. SL gave an update on the Professional and Technical Education Directorate (PTE), which had moved from the Department for Education (DfE) in September. The Directorate were leading T Levels and a review of technical and vocational qualifications in relation to Level 4 and Level 5 provision. Activity for T levels was now moving from a period of highly intense policy development into the delivery phase, with all 25 T Levels scheduled for introduction by September 2023.
- 2.2. SL noted PTE were working closely with the FE Directorate regarding providers and with the Apprenticeships Directorate in relation to employer work placements.
- 2.3. Communication was a key activity; there were a number of different audiences to engage, particularly employers. Representative bodies such as the CBI were also engaged on the design of T Levels and employers were heavily involved in scoping the industry placement component of the T Level.
- 2.4. PTE was working closely with the Institute for Apprenticeships (IfA) to build their levels of capability to take on responsibility for some key statutory aspects of T-Level delivery and oversight in 2019. Eileen Milner (EM) added the relationship with the IfA was supportive and they had made significant progress, which was attributable to a great deal of hard work and commitment from all involved. As with many elements of T-levels, the timelines were stretching and were being closely monitored.
- 2.5. KS noted the formation of the new Apprenticeship Directorate in September represented an important opportunity to deliver end to end, from high-level strategy to local engagement activity. The new Directorate brought together ESFA and former DfE colleagues. There was a delivery team and a policy team, and so there was an opportunity to reshape to add value, setting the direction post 2020. A new Programme Deputy Director appointment would enable ever-stronger governance arrangements. There would be greater focus on the apprentice, making sure the system worked for them as well as for employers a high degree of focus was being placed upon taking as much complexity out of the system as possible. New arrangements were expected to be in place by January. Also important was connecting well with key parts of Government, including HM Treasury. There would be a Delivery Board and a reconstituted Programme Board, which could include engagement from Management Board members.

- 2.6. Peter Mucklow (PM) noted the move to one Apprenticeships Group gave an opportunity to look carefully at the role of the FE sector in apprenticeships and technical education.
- 2.7. KS noted apprenticeships had been at the top of announcements made at the Conservative Party Conference, including an increase in funding to the ESFA and IfA and a decision to switch off apprenticeship frameworks by October 2020.

## 3. ESFA Director' Updates

- 3.1. Mike Pettifer (MP) gave the update for the Academies and Maintained Schools Directorate (AMSD). There had been encouraging results from the School Resource Management Adviser pilot. They have now concluded the tender process for the full two-year roll out of the program. This is a Secretary of State priority.
- 3.2. Recruitment to ensure teams were up to capacity was ongoing, with an expectation that the majority of vacancies would be filled by the end of the year.
- 3.3. In response to a question on the National Funding Formula (NFF), MP said work was progressing, working closely with the Funding Policy Unit. There was a further question on the recent Panorama television programme on Academies. MP said we have to look at the data on the programme as a whole. There was a danger a relatively small number of cases would disproportionately affect the reputation of the sector. He also said that AMSD were working closely with the Provider Market Oversight (PMO) directorate to further strengthen oversight and build on the positive progress already made.
- 3.4. PM provided the update for the FE Directorate, providing details on work ongoing across the ESFA regarding oversight of independent training providers, jointly led by Matt Atkinson (MA), KS and PM.
- 3.5. PM also asked the Board to note that he was leading on working to ensure developments across the skills and technical education landscape were clearly described and issues of coherence and linkages between different aspects were being proactively designed in.
- 3.6. Béatrice Lightfoot (BL) gave the update for Central Services and Transformation, noting a review had started across the ESFA about both internal and external communications. It was also noted that a new customer support operating model was being developed, which would be consistent across the agency and aimed to make engagement with the ESFA more straightforward.
- 3.7. Sue Husband (SH) provided the update for Employer and Employee Engagement. The National Careers Service was moving to a more digitally based service. Procurement for new suppliers, across nine regions, took place

over the summer. The co-location of the National Careers Service and apprenticeship digital teams was helpful. The National Careers Service was currently undergoing a Government Digital Services review.

3.8. WorldSkills' successes were noted, with UK gaining a gold and four bronze in Budapest recently. Skills featured ranged from welding to cabinet making. SH was looking at how UK standards could be raised still further. MSp expressed an interest in WorldSkills and SH offered to invite MB members to the November UK Skills event in Birmingham.

### Action 2: SH to invite MB members to WorldSkills UK Live

- 3.9. Recruitment and the role of the Workforce Planning Group in reviewing all vacancies was noted. There were also more apprentices joining the ESFA. These were often younger people in the 18-20 year old age group. There were also current staff taking up apprenticeships, who tended to be in their 30s or 40s, already in management positions. SH mentioned work was ongoing looking to bring apprentices into the organisation on a specific career path, Finance and Digital being two routes colleagues were keen to see explored.
- 3.10. MA gave the update for PMO. This directorate was created when the Transaction Unit merged with the Provider Risk Assurance team and Intervention Support. The directorate currently had 150 staff and would have 170 when it reached full complement. New Deputy Directors included Tara Murray leading the prevention team and Adrian Brook leading Assurance and Frameworks. PMO has a Risk, Intervention and Assurance Board, which meets once a month.
- 3.11. SM noted that as a new board member, it would be useful to hear about real issues by exploring instances of failure and the key lessons learned.
- 3.12. Ian Ferguson (IF) noted there could be specific sessions in the mornings of the meetings to update board members on such issues.

# Action 3: IF to explore opportunities for members' briefing sessions on the mornings of future board meetings

3.13. HN was interested in understanding how leadership failure was identified. MA said the financial health of an organisation was a key indicator.

### 4. ESFA Performance Updates

- 4.1. EM invited comment on how the presentation of performance data could be improved further.
- 4.2. SM asked a question about the number of absences due to mental health conditions. SH noted sessions held to raise awareness of mental health issues had been well attended and it was likely people were now reporting more accurately reasons for absence, which was something that should be welcomed.

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- 4.3. SH noted there were different levels of sickness based on office location and this was being looked into.
- 4.4. HN noted she would find it useful to see more trend data.
- 4.5. MSp asked about the new automated dashboards data, noting there was no data on how useful the dashboards were. BL noted this was the first stage of work. The next stage would involve measuring the effectiveness of the dashboards.
- 4.6. The narrative in the Funding section on page 2 of the ESFA performance data made reference to a detailed note. SM asked for a copy of that note.

# Action 4: To share a copy of the detailed note with non-executive board members, which was referenced in the Funding section on page 2 of the ESFA Performance data

### 5. ESFA Vision Mission and Strategic Priorities (VMSP) Update - ESFA Business Plan for 2018 to 2019

- 5.1. Following a workshop with colleagues, an early draft of the ESFA Business Plan for 2018 to 2019 was shared with board members. It featured the theme of being an excellent and expert policy and delivery agency. The key role of the ESFA's work alongside the DfE was also highlighted.
- 5.2. MSp noted the Business plan was clear and easy to read, but he had expected to see more financial figures and numbers detailing the Agency's work.

# Action 5: To share supplementary information to the ESFA Business Plan for 2018 to 2019 with the Management Board including financial figures and numbers covering ESFA resources

5.3. MSp asked if there was a Return on Investment (ROI) metric to drive improvement still further. Sarah Whitehead (SW) offered to share this at the next meeting, noting a review of efficiencies and savings was currently taking place.

# Action 6: SW to share an update on the ROI to drive improvement at the next Management Board

5.4. SM suggested that the section on oversight and improvement could be expanded to reference the good work that was clearly already in train.

# Action 7: The oversight and improvement section of Business Plan to note improvements that had been made impacting on learners and employers

5.5. HN asked about the two or three things that would really change this year. EM noted the Business Plan would evolve, but this was an early draft for board members' immediate feedback.

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### 6. ESFA People Updates

- 6.1. SH noted she chaired the People Board and attended the DfE People Committee. There was also a Workforce Planning Group, which all vacancies went through for approval prior to recruitment.
- 6.2. It was noted the Staff Survey was now live. Since the last survey, the ESFA has gained PTE and additional Apprenticeships colleagues but Capital colleagues had moved to DfE.
- 6.3. SH noted detailed findings from the Staff Survey would be shared with the Management Board.
- 6.4. There was an opportunity for monthly performance management conversations and as a minimum; they took place several times a year.
- 6.5. A discussion took place regarding staff costs and if there was funding for recruitment. SW explained that in year, there is scope to be ambitious but in the longer term (from next financial year), there would be a need to demonstrate the efficiency of the agency still further.

## 7. Sub Committee Reports

- 7.1. MS gave the update for the Audit and Risk Committee.
- 7.2. MSp asked about the IT systems risk concerning changing funding systems and strategy regarding systems support. It was noted current legacy systems are in place and updating them would deliver significant benefits, but it was also acknowledged there were risks in doing so. This was why dual running would take place in preparation for any changes.

## 8. ESFA Board Effectiveness Review

8.1. Rebecca Loveday (RL) joined the meeting for the item on the Board Terms of Reference. The paper was noted.

### 9. Any other Business

- 9.1. IF suggested a need for six to eight board meetings a year, with meetings also taking place outside the formal board.
- 9.2. MSp noted he was happy to join a call if a trigger event arose and an immediate meeting would be useful.

### Action 8: IF to consider holding telephone meetings if trigger events arose

**10.** EM thanked board members for their contributions. The meeting closed shortly after 4.00pm.