

4 DfE Review

The CEO gave an oral update on the Ministerial letter of 8th February which concluded the DfE Review of the EIF and then invited trustees to share queries and observations. The Board discussed the benefits of multi-year funding and the content and tone of the Minister's letter. A range of views was expressed, including the view that the letter was mild and low key in comparison with standard Government letters to grant recipients, and alternatively, the view that the letter was directional in tone. There was also a view expressed that the letter seemed to narrow the EIF's remit to colleges

the Board that EIF would continue workforce support around apprenticeships. He recommended against deploying the EIF's reserves on one-off short term extension to any programme. The Board has previously established guidelines that reserves should only be used for investment and not to support the delivery of specific programmes.

The Board approved the draft budget for 2018/19

7. EIF Governance: responding to the DfE Review and Governance Plan

The Board received a paper covering the context around the Minister's governance requests (from her letter of 8 Feb 2018) and a broad Governance Plan. Trustees were invited to share their views of the letter and discuss the Board's next steps. The trustees discussed the following: the risks associated with being seen by DfE not to fully respond to the letter; the importance of EIF being rooted in the sector; the importance of using an open and competitive process to recruit trustees; concern and a desire not to see history repeat itself with EIF as per its predecessor organisations; trustees' roles and responsibilities; and the size of the Board

The Board agreed it was important to address the DfE's governance concerns, which would necessitate making changes to EIF's constitution (Articles of Association). The majority of the Board agreed that the Board was currently too big and it would consider reducing the number of trustees to 10/12. The majority of the Board agreed that the number of Founding Member appointed trustees should be reduced to a clear minority and that different models of company membership (through the constitution) should be explored, including widening the membership across a broader cross section of the FE and training sector. The Board agreed it was vital that EIF continued to be constituted and act in accordance with the principle of being of and for the FE and training sector in its broadest sense.

At this point in the meeting, the Board were advised by two of the AELP appointed trustees that AELP was resigning its membership of EIF and they were resigning from the EIF Board. They revealed that this decision had been taken by the AELP Board some days ago as a result of AELP's perception that there was no benefit to its remaining part of EIF's governance, which the earlier conversation on the Future Apprenticeships programme had not reversed.

The Board resolved that the Chair and CEO should engage in urgent discussions with AELP's CEO and Chair to understand their rationale and to see whether there was a possibility of AELP changing its mind and rejoining EIF.

and price, it agreed to recommend the appointment of BDO. The Board noted it was good practice to change auditors after a period of time.

The Board agreed to recommend the appointment of BDO as EIF's external auditor for 2018-19 to the Founding Members.

The Board agreed to keep its decision confidential until it had been communicated to the incumbent audit company.

10 Any other business

None.