

## Meeting of the ETF Board

**Date:** Wednesday 23 March 2022 :

**Time:** 2-5 pm

**Venue:** ETF Office, 157-197 Buckingham Palace Ro.16 (h1 11.2 Tf0Cw 17.597 0BDEJ TT0 11.2 Tf-0.09 T

## **PART 2: STRATEGY & RISK**

### **2.1 Current environment and implications for ETF**

The Deputy CEO provided an overview of the current environment and implications for the ETF. The Board received an update on the latest engagement with the DfE, including the latest discussions on TLPD, and plans for a review of the ETF's financial governance. **The Executive was invited to consider how the trustees may be able to support with the DfE review.**

### **2.2 ETF operating model: case for change and implications**

The Board received a presentation on the target operating model from the Deputy CEO. The Board reflected on the three strands of deliver, influence, and innovate, and discussed the emerging key themes. It considered the implications for governance, culture, organisation structure, and the budget.

The Board discussed the importance of robust financial models, an inclusive approach to all areas of the sector, and investing in the relationships with key stakeholders through a process of consultation, relationship building, and iterative listening. It noted the links between the target operating model and the ETF's role in enabling a self-improving system. The Board considered the systemic focal points which would allow greater collegiate working in pursuit of a self-improving system, and at institutional level, the bespoke level which results in those leverage points.

**The Board asked the Executive to progress with the target operating model work and further build on the Board's discussions. The Executive was asked to consider the best way to keep the Board sighted on this work before its next meeting.**

### **2.3 22-23 Budget**

The Interim Director of Finance provided an overview of the 22-23 Budget, which covered the 2021-22 Q3 and FY forecast (including management accounts), investment, reserves, and surplus position. The Board received a presentation of the Budget Summary for 2022-23. There was a robust discussion about the level of ETF's reserves and the potential impact of the range of outcomes regarding the TLPD nego r td h ´

that project investment expenditure should be approved by the Committee on a project-by-project basis.

The Board received the paper on staff remuneration for 2022-23, and the recommendation from the Finance and Remuneration & Search Committees. **The Board approved a cost-of-living increase of 1.5% on staff's salaries for 2022-23, applicable from 1 April 2022.**

## **PART 3: GOVERNANCE**

### **3.1 The Self-Improving System**

**A B C D E F G H I**

The Board noted the paper on the self-improving system and reflected on its previous discussions regarding the strategic importance for the ETF and the wider FE sector. It discussed how the Board could ensure that the ETF stayed sighted on advancing its charitable objects to create an FE system which was self-improving and noted that the paper offered a mechanism for pursuing the work in a time efficient and practical way) e m