

PRIVATE & CONFIDENTIAL

ENGINEERING CONSTRUCTION INDUSTRY TRAINING BOARD

Minutes of the 46th meeting of the ECI Training Board held at the Engineering Employers' Federation on Tuesday 2nd December 2003 at 10.30 am.

Chairman

- * Mr Jim Rowland, CBE

Employer Members

- * Mrs Louise Ferguson
- * Mr Mike Hockey
- Mr Chris Lloyd Jones
- * Mr Richard Leamon
- * Ms Barbara Rider
- * Mr Brian Rogan
- * Mr Colin Barnes
- * Mr William McLean

Employer Association Members

- * Mr Brenig Williams
- * Mr Bill Murray

Government Observers

- * Mrs Sue Vernon

- * Present

In Attendance

Mr David Edwards, Chief Executive
Mr Keith Aldis, Customer Relations Director
Mr Pat Johnston, Director of Finance/Board Secretary

Client Members

- * Mr Jeff House
- * Dr Alix Thom

Trade Unions

Mr Paul Corby
Mr Neil Moore

Educationalists

- * Mr M Bretherick

Invited

Mr Lewis Sampson, NJC

OPENING REMARKS

1. The **Chairman** welcomed members to the 46th meeting of the Board and advised that Mr D Walker had resigned.

APOLOGIES FOR ABSENCE

1. The **Secretary** reported that apologies had been received from Mr P Corby. Mr L Sampson would also not be able to attend.
2. The **Chairman** sought agreement to change the agenda order to suit priorities and ensure that important business was completed.

Minute 36/03

MINUTES OF THE 45TH MEETING HELD ON 16TH SEPTEMBER 2003

Agenda Item 1

1. The Minutes were agreed as a reasonable record and the **Chairman** signed them.

Minute 37/03

MATTERS ARISING FROM THE 45TH MEETING

Agenda Item 2

1. There were no matters arising.

Minute 38/03

REPORTS OF THE COMMITTEES

Agenda Item 3 – ECI 359

Skills Development Training Committee

1. **Mr Williams** reported on the 49th meeting of the Committee. He explained that he had raised the issue of foreign labour on sites in this country and the background to the legislation which effectively means that they may not have to pay levy. He explained that the unions were demonstrating outside the House of Commons on this issue whilst the meeting was taking place.
2. During discussions on the issues arising from this, **Mr Edwards** was asked to ensure that ECITB staff were briefed on the legislation so that they did not inadvertently mislead contractors on potential levy liability. It was also suggested that the employer associations may wish to brief their companies.
3. **Mr Williams** then addressed the issues raised during the meeting.
4. There was concern over the potential costs of NSDS combined with ACE completion grants. It was agreed that it was necessary to review the grant system for NSDS.

Leadership and Development Committee

5. **Mr Aldis** briefly summarised the meeting.

Audit Committee

6. The **Chairman** drew attention to the Minutes of the previous meeting and briefly summarised the meeting that took place in the morning.

Finance and General Purposes Committee and Remuneration Committee

7. The **Chairman** drew attention to the relevant Minutes.
8. There were no questions arising from the various Minutes.

Action: The Board noted the reports from the various Committees.

Minute 39/03

GENERAL GRANT RATE

Agenda Item 5 – ECI 361

1. **Mr Aldis** introduced the paper and explained the proposals. He advised that last year the site grant rate had been £30 per day, with off site at £50 per day. **Mr Johnston** explained that the effect of capping which limited the grant to the levy payable may reduce the overall total cost.

Action: It was agreed that the General Grant rate for both site and off site should be set at £50 per day.

Minute 40/03

BUSINESS PLAN 2004

Agenda Item 7 – ECI 367

1. **Mr Edwards** introduced the paper and focused on the summary pages which identified the key highlights. Although he was focusing on these he explained that he would welcome any questions on the detail. He explained that the key assumption was that the NASEC intake for 2004 would total 240, which was the level needed at current completion rates to give an output of 170 in three years time which was the target agreed in the A.T. Kearney report.

There would be issues for future funding as, without identifying additional sources of income, this rate of intake would not be sustainable and it would be necessary to keep the situation under review in future years.

2. It was agreed that it would be necessary to be pro-active in seeking to reduce the NASEC drop-out rate.

Action: The budget for 2004 and the Business Plan were agreed with some minor suggested changes.

Minute 41/03

MANAGEMENT BOARD MEMBERSHIP

Agenda Item 9 – ECI 365

1. **Mr Edwards** introduced the paper stating that the key issue was the proposal to extend the membership of the Management Board to include a client and a trade union member. Members expressed some concerns that this could end up with a Management Board being really a sub-set of the Main Board and could impact on decision making with possibly more decisions requiring oversight/approval by the Main Board.
2. **Mr Edwards** pointed out that the agreed Terms of Reference meant that Management Board members will have a duty to champion the ECITB in delivery of its Business Plan to outside stakeholders. Members of the Management Board should not be present in a representational role.
3. The **Chairman** pointed out that the Management Board will not be able to deviate from the agreed strategy and plan without authority from the Main Board. The trade union, client and Management Board members must also be members of the Main Board, and in the same way as other Board members, would be expected to make a commitment to contributing. The Main Board would be expected to monitor and review the performance of the Management Board on a regular basis.

Action: Members agreed to the proposal to have a client member and a trade union member of the Main Board on the Management Board on the basis outlined.

Minute 42/03

REFORMATION STEERING GROUP

Agenda Item 8 – ECI 364

1. **Mr Edwards** introduced the report advising that a letter had been sent to all Managing Directors of in-scope companies seeking nominations for Regional Chairs by the date of the next RSG meeting.
2. The RSG would be seeking to identify a panel of Board members to select the non-executives.
3. Authority would be sought for the RSG to act in lieu of the Management Board until the latter was established.
4. For this reason, **Mr Edwards** referred to the initial schedule of Main Board meetings in 2004 which showed four meetings. He hoped that progress would be such that the meeting on 21st September would not be necessary, but he was meanwhile seeking a commitment to dates.
5. **Mrs Vernon** reminded the Board that ministerial authority would be needed for a formal delegation to the Management Board and the **Chairman** confirmed that this is not being sought for the RSG at present.

6. During discussion, it was agreed that the target should be for the Main Board to appoint the Management Board at its meeting in March. The meetings on the schedule for the Management Board would therefore imply that the meeting on 5th February would be of the RSG, with the Management Board taking over thereafter and these dates could be subject to review.

Action: Meeting dates for the Main Board were agreed as 16th March, 22nd June, 21st September (subject to review) and 7th December 2004.

Action: Ministerial approval to be sought for the powers to be delegated to the Management Board.

Minute 43/03 **QUINQUENNIAL REVIEW REPORT**
Agenda Item 6 – ECI 362

1. **Mr Edwards** introduced the paper which summarised the recommendations from the report and gave a quick review of the likely actions.

Action: The report was noted.

Minute 44/03 **CHIEF EXECUTIVE'S REPORT INCLUDING ACCOUNTS**
Agenda Item 4 – ECI 360

1. **Mr Edwards** introduced the report stating that the key issues had been covered earlier and asked for questions.
2. In response to a question about the reference to office move and **Mr Edwards** explained that this was under consideration but would depend on achieving a realistic price for the current offices.

Action: The report was noted.

Minute 45/03 **ANY OTHER BUSINESS**
Agenda Item 10

1. Members had no other business.
2. The **Chairman** ended the meeting by wishing members a Happy Christmas and successful New Year.

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Chairman

Engineering Construction Industry Training Board
Blue Court
Church Lane
Kings Langley
Herts, WD4 8JP

December 2003

ENGINEERING CONSTRUCTION INDUSTRY TRAINING BOARD

ACTION POINTS FROM 46TH MEETING

Minute	Paragraph	Action	Date	By	Current Status
		Brief staff on law re: levying foreign companies.		D Edwards	
		General Grant rate agreed at £50 both site and off-site.		J Hanks	
		RSG authorised to agree proposals for amending NSDS. Paper to be submitted to December 16th meeting.		D Edwards	
		Management Board to have trade union and client members.		D Edwards	
		Performance of all Management Board members to be monitored and reported to Main Board annually.		Chairman	
		Write to Minister seeking approval for delegation to Management Board.		D Edwards	
		Dates of Main Board meetings agreed.		P Johnston	
		Report to March Board meeting on options for Sector Skills Agreement.		D Edwards	