

**Minutes of the CITB Board meeting held at 9am on 4 June 2026 at the Leonardo Hotel
Edinburgh Murrayfield, and remotely via Microsoft Teams**

PRESENT

Peter Lauener	Board Chair
Rachael Cunningham	Board Trustee – <i>remote</i>
Nikki Davis	Board Trustee – <i>from 10am</i>
Michael Green	Board Trustee
Julia Heap	Board Trustee
Owain Jones	Board Trustee
Herman Kok	Board Trustee
Kevin McLoughlin	Board Trustee
Holly Price	Board Trustee

STAFF INVITEES

Tim Balcon	Chief Executive Officer (CEO)
Adrian Beckingham	Executive Director, Strategy & Policy
Kirsty Evans	Executive Director, Education and Training
Martina Doyle-Turner	Executive People Director
Deb Madden	Executive Director, Customer Engagement and Operations – <i>remote</i>
Nadine Pemberton Jn Baptiste	Executive Director, Legal, Governance & Compliance
Angela Alabi	Head of Corporate Governance and Board Secretary
Hannah Stroud	Corporate Governance Manager

IN ATTENDANCE

Angela Forbes	Scotland Nation Council Chair
Indrani Banerjee-Jones	Incoming CITB Chief Financial Officer – <i>starting in post 15 June</i>

GOVERNMENT OBSERVERS

Kevin Dixon	Department for Work and Pensions (DWP) – <i>remote</i>
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STAFF INVITEES FOR SPECIFIC AGENDA ITEMS – *remote*

Colin Chaplin	Head of Levy Strategy, Review & Consensus – items 3 & 5
Paul Foreman	Head of Audit & Risk – item 5
Ian Woodcroft	Head of Policy and Government Relations – item 6
Gillian Brewin	Head of Strategic Planning – item 4

APOLOGIES

Stephen Gray	Board Trustee
Sophie Seddon	Board Trustee

ITEM 1: WELCOME, APOLOGIES, AND KEY AIMS OF THE MEETING

1.1 Peter Lauener (PL) welcomed all attendees and confirmed that the meeting discussions would be recorded solely for minute-taking purposes. The recording would be deleted following approval of the minutes. All attendees agreed to this arrangement.

1.2 Apologies were received and accepted from Stephen Gray (SG) and Sophie Seddon (SS). It was noted that Nikki Davis (ND) would join the meeting from 10am.

1.3 The Chair welcomed Indrani Banerjee-Jones (IBJ) and John Raffel (JR) to their first Board meeting.

1.4 The Chair outlined the key aims of the meeting and highlighted that agenda items 10 to 14 would be taken as noted and approved unless any Trustee requested further discussion.

1.5 ACTION: The Corporate Governance team to review whether future deeds require signature by the Board Chair or whether this could be delegated to the CEO or CFO, and then advise accordingly.

1.6 The Chair summarised the discussion at the previous evening's Board dinner, which included a presentation from Nick Page, CEO of Qualifications Scotland, wider discussion on supporting young people not in education, employment or training, and potential partnership opportunities with CITB.

ITEM 2: DECLARATIONS OF INTEREST

2.1 Nadine Pemberton Jn Baptiste (NPJB) and Martina Doyle-Turner (MDT) declared that they had both been appointed as Associate Governors at Leeds College of Building, where ND was Principal and CEO. It was noted that these interests had been recorded in the Executive's Register of Interests.

2.2 There were no other declarations of interest made in addition to those already recorded on the Board's Register of Interests.

2.3 The Chair noted for information that the terms of office of Kevin McLoughlin (KM), Michael Green (MG) and Owain Jones (OJ) had been extended to 31 May 2028, and that the Chair's own term had been extended to 30th November 2027.

Colin Chaplin (CC) joined the meeting.

ITEM 3: BUILDING TRUST WITH CUSTOMERS

3.1 Deb Madden (DM) introduced the item and presented a slide on balancing training demand and value to create lasting impact.

3.2 The Board discussed the impact of the December 2025 funding changes on customer trust and recognised that many customers remained dissatisfied. The Board asked what proportion of transactional training had been affected by the changes to short-course funding. DM confirmed that the changes had primarily affected large employers and agreed to provide the underlying figures.

3.3 ACTION: DM to provide figures on the number and profile of employers affected by the short-course funding changes from December 2025 and circulate to Board Trustees.

3.4 The Board reflected on CITB's future role, including the balance between acting as a transactional funder and exercising stronger system leadership and being an agent of industry change. There was recognition that CITB could not continue to be all things to all parts of the industry, and that clearer strategic choices would be required.

3.5 The Board highlighted the importance of clearer customer segmentation, including Tier 1 employers, SMEs and micro-businesses, and of improving transparent communication about how levy funds were used and where CITB could add the greatest value. Trustees discussed the need for a more targeted and segmented approach to investment and support, while balancing shorter-term customer expectations with longer-term system change and industry outcomes.

3.6 The discussion also covered wider issues including employability, retention, productivity, support for new entrants, and the role of the supply chain, with agreement that these themes should inform the continuing development of the Strategic Plan Refresh to be presented to the Board in September, and future engagement with industry.

3.7 DECISION: The Board endorsed the proposed approach outlined in the supporting paper for rebuilding trust with customers, and approved the next steps for colleagues to incorporate the following into the Strategic Plan Refresh to be presented to the Board at its September meeting:

- Organisational clarity, including:
 - Transparency and improved communication of CITB's purpose and role as a system leader
- Financial transparency
- Strategic positioning and industry dialogue, including:
 - better identifying the support required by industry through a sector approach (Tier 1s, SMEs, micros)

3.8 ACTION: The Executive to incorporate the Board steer into the development of the Strategic Plan Refresh, for presentation at the September 2026 Board meeting, and carry out segmented levy investment analysis.

CC left the meeting and Gillian Brewin (GB) joined the meeting.

ITEM 4: STRATEGIC PLAN REFRESH

4.1 The Board considered the upcoming refresh of the Strategic Plan to be agreed in September 2026 and noted that planning for 2027-28 would need to accommodate two possible scenarios: a merger with ECITB, or continued operation as a standalone organisation.

4.2 Trustees debated the framing of CITB's approach to productivity, with concern expressed that the current wording could imply productivity issues sat primarily with SMEs rather than reflecting wider supply-chain and contracting factors. The Board agreed that further refinement of the wording and scope of the approach to the productivity pilot was needed.

4.3 ACTION: GB to discuss the wording and scope of the Productivity Pilot with Herman Kok (HK) and KM, and reflect this in the Strategic Plan Refresh paper to come to the September 2026 Board meeting.

4.4 The Board supported the proposed approach to Retention set out in the supporting paper.

MG left the meeting at 11.20am.

4.5 The Board noted and endorsed the provisional in-year funding changes recommended by the Industry Funding Committee (IFC), should funding changes be required.

4.6 DECISION: The Board Trustees agreed that the broad strategic direction of the Strategic Plan remained appropriate, but that sharper prioritisation, better value for levy investment and a more targeted, segmented approach would be required. The Board confirmed that the review should maintain a primary focus on apprenticeship grants and funding.

4.7 It was noted that any proposed changes to Apprenticeship Grants would be explored at the Board workshop on 9 July 2026.

GB left the meeting, and CC & Paul Foreman (PF) joined the meeting.

ITEM 5: CEO REPORT, PERFORMANCE & STRATEGIC RISKS Q4

5.1 The Board noted the supporting papers.

5.2 The Board noted that the Finance Monitoring Group, which had been established in February 2026 and included PL, HK, OJ and Julia Heap (JH) as Trustee attendees, would meet for another two monthly meetings for the monitoring of levy debt and financial controls.

5.3 The Board discussed the year-end financial position and noted that, while the outturn was close to the original budget and financial performance had stabilised, further work was ongoing to improve the long-term sustainability and predictability of both income and expenditure.

5.4 Trustees noted the activity under way to increase levy debt collection, strengthen financial controls and identify cost reductions, alongside strong operational delivery and positive progress of the DAWN programme.

5.5 The Board gave particular attention to levy debt, recognising this as a significant and ongoing concern and a critical area requiring continued improvement. Trustees commended the work under way to accelerate debt collection and improve compliance activity but highlighted the need for a more robust and time-bound approach to debt collection, clearer distinction between estimated and recoverable debt, and stronger credit control arrangements. The Board took assurance from the ongoing work of the Levy Strategy Committee (LSC) to strengthen and improve levy debt recovery through new initiatives. The Board also took assurance that the Executive would consider, in June, options to address prior-year levy debt.

CC and Holly Price (HP) left the meeting at 12 noon.

5.6 The Board welcomed signs that customer sentiment was improving since the December 2025 funding changes and noted the value of stronger communications to amplify positive engagement with industry.

5.7 Trustees also noted emerging legal and employment-related risks.

5.8 The Board noted that the Audit & Risk Committee (ARC) had undertaken a deep-dive at its May meeting to address the Strategic Risk outside of tolerance that 'CITB may not have the capacity and capabilities to implement the change necessary to deliver the Strategic Plan'.

5.0 The Board took assurance from the CEO report, Performance report and Strategic Risks report that progress being made to strengthen financial controls, improve levy collection and maintain delivery performance.

PF left the meeting, and Ian Woodcroft (IW) joined the meeting.

ITEM 6: WORK-BRIDGE PROGRAMME WITHIN DFE'S CONSTRUCTION INDUSTRY PLACEMENTS GUIDANCE

6.1 Trustees discussed the proposed Work-Bridge model and the wider construction industry placements initiative, noting the importance of strengthening progression from further education into sustained employment.

6.2 The Board recognised that effective training was often best delivered in the workplace and that employer engagement in the skills system remained a significant challenge. Trustees noted that the DfE's wider programme represented a substantial investment and that CITB's proposed Work-Bridge contribution was intended to complement this by supporting progression into employment through employer incentives and pastoral support.

6.3 The Board discussed several delivery risks and practical challenges, including the design and timing of placements, the availability of placements for SMEs and micro-businesses, alignment with mayoral authority arrangements, and whether the current model provided sufficient duration and quality of work experience to achieve the intended outcomes. Trustees also noted concerns that the approach had evolved away from the original strategic intent and emphasised the importance of flexibility in the funding and delivery model.

6.4 DECISION: The Board noted the progress on the Industry Placements and Work-Bridge, and endorsed the continued development of the Work-Bridge development and Industry Placement approach, with a clear focus on employment outcomes, employer engagement, and practical delivery considerations. The Board emphasised that success should be measured by sustained employment, rather than placement numbers.

IW left the meeting.

ITEM 7: ANNUAL EFFICIENCY REPORT – FOR 2025-26

7.1 Trustees received an update on the efficiencies delivered as measured against the Government Efficiency Framework, and it was noted that for 2025-26 CITB had delivered £11.3m in demonstrable efficiency savings.

7.2 It was also noted that for 2026-27 it was anticipated that greater efficiencies would be felt with the fulfilment of the DAWN Programme, as well as the restructuring of the Engagement Team and NCC Team, and lower recruitment projected against the Business Plan.

7.3 The Chair requested that a fuller summary of wider cost-saving measures and organisational efficiencies be brought back to the Board meeting in September.

7.4 ACTION: JR and IJB to produce a paper for the September Board meeting presenting a broader summary of cost savings and efficiency measures, to include: DAWN programme, restructure of Engagement Team and NCC Team, and lower recruitment against the Business Plan. HS to add this paper to the Board's Forward Work Plan of meetings.

7.5 The Chair provided feedback from the first joint Committee Chairs meeting held the previous day, noting that the twice-yearly meetings would be held with the aim of supporting better alignment between the Board, Committees and Nation Councils, in line with recommendations from the 2025 external governance review. Trustees noted that several common themes had emerged across the governance structure, including the need to maintain focus on customer trust, organisational capacity and capability, levy debt, financial controls and the potential impact of wider organisational change, including DAWN and possible merger preparations. The Board noted the importance of ensuring that all Board Trustees remained sighted on progress with the external audit and on the actions being taken by management to strengthen financial controls.

7.6 The Chair also highlighted the importance of streamlining Board and Committee papers, noting that some papers continued to contain more detail than was necessary for effective Board-level discussion and decision-making. Trustees recognised the requirement to strike the right balance between sufficient assurance and concise, focused reporting. It was noted that the Chair would provide coaching to the Executive Team on effective paper-writing, followed by further engagement with the Senior Leadership Team in July.

ITEM 8: ITB REVIEW / ALB REVIEW / DWP CONSULTATION

8.1 The Board noted the supporting paper, and agreed that while organisational change was an important consideration, the success of any future arrangements would depend principally on the clarity and effectiveness of long-term strategy.

8.2 Kevin Dixon (KD) provided an update on the status of the DWP's ITB Reform consultation, sharing that the consultation was due to close on 14 June 2026, and confirmed that results from all the respondents would be published for transparency.

8.3 The Chair requested that an article published on 1 June by Skills Minister Jacqui Smith, inviting employers to respond to the ITB Reform consultation, be circulated to Trustees and Nation Council members, for information.

8.4 ACTION: The Corporate Governance team to circulate the ITB Reform article by Skills Minister Jacqui Smith to Trustees and Nation Council members, for information.

ITEM 9: BOARD, COMMITTEES & NATION COUNCILS ANNUAL INTERNAL EFFECTIVENESS REVIEW

9.1 The Board noted the results of the 2026 internal effectiveness review.

9.2 DECISION: The Board endorsed the proposed actions arising from the annual internal effectiveness review of the Board, Committees and Nation Councils, including improvements to the meeting paper template, designing more strategic meeting agendas, joint Committee Chair meetings to support assurance flows, development of a Trustee handbook, and implementation of requested training and development for members.

9.3 ACTION: The Corporate Governance team to continue implementation of the governance effectiveness review actions, including improvements to paper templates, agenda design, assurance flows, the Trustee handbook and member training and development.

ITEM 10: MINUTES FROM PREVIOUS MEETINGS, ACTIONS AND MATTERS ARISING

10.1 The minutes of the Board meeting held on 26 February, and the extraordinary Board meeting held on 27 April 2026 were reviewed and approved as an accurate record of the meetings.

10.2 It was noted that previous Board actions were either completed or had been addressed through papers on the agenda, including closure of actions 3.19 and 3.21 relating to publication of the Business Plan.

ITEM 11: HEALTH, SAFETY AND WELLBEING POLICY

11.1 The Board noted that the Health, Safety and Wellbeing Policy had been reviewed by ARC and was being recommended to the Board for approval.

11.2 DECISION: The Board **approved** the Health, Safety and Wellbeing Policy.

11.3 The Board noted the Health, Safety and Wellbeing annual report.

ITEM 12: NATION COUNCILS – BOARD CONSOLIDATED RESPONSES, AND TERMS OF REFERENCE

12.1 It was noted that the recent draft Nation Council meeting notes were available for Trustees to view in the Board Documents area of Admincontrol.

12.2 DECISION: The Board **approved** the proposed responses to the key feedback raised by the three Nation Councils from their April 2026 meetings.

12.3 DECISION: The Board **approved** the updated Nation Council Terms of Reference.

ITEM 13: COMMITTEE REPORTS

13.1 It was noted that the recent draft Committee meeting minutes were available for Trustees to view in the Board Documents area of Admincontrol.

13.2 The Board noted the:

- Management Letter on the 2024-25 financial statement audit, which ARC had scrutinised at its May meeting
- Counter-fraud supplemental report, from ARC
- Annual Safeguarding Report, from the NCC & Apprenticeships Committee (NCC&AC)

13.3 DECISION: The Board **approved** the appointment of Chris Moore onto the Industry Funding Committee.

13.4 DECISION: The Board **approved** the updated NCC&AC Terms of Reference.

ITEM 14: GOVERNANCE MATTERS

14.1 The Board noted the Board's Forward Work Plan, and the request for approval of the proposed lease of office space in London.

14.2 DECISION: The Board approved the London office lease documentation and authorised the application of the Board seal and the required signatures by the Board Chair and Head of Governance & Board Secretary.

ITEM 15: MEETING EVALUATION

15.1 Trustees evaluated the success of the meeting and agreed that all the key aims of the meeting had been achieved.

15.2 The Board further noted that future CEO Reports should be significantly streamlined to support more focused Board-level discussion.

ITEM 16: CHAIR'S ANY OTHER BUSINESS

16.1 MDT and Kirsty Evans (KE) provided an update that collective consultation would be triggered and an HR1 form would be submitted in relation to restructuring the Engagement Team and the NCC Team, noting that the changes were intended to ensure that leadership and support functions were proportionate.

16.2 It was confirmed that the next Board meeting would be held on 17 September 2026 in Cardiff, with a Board dinner, as usual, the evening before.

All attendees except Trustees, KD & Hannah Stroud (HS) left the meeting.

ITEM 17: CLOSED SESSION

17.1 The Board noted the Board Chair's assessment of the CEO's performance for 2025-26 and reviewed the Nomination, Appointment & Remuneration Committee (NARCO)'s recommendation of the proposed bonus payment.

17.2 DECISION: The Board approved NARCO's recommendation of the proposed 2025-26 bonus for the CEO.

The meeting closed at 2.05pm.