



Quality Assurance Agency for Higher Education

One hundred and nineteenth meeting of the Board of Directors

Minutes of the meeting on 14 October 2020

Present

Board Members:

Professor Simon Gaskell (Chair)
Ms Eve Alcock
Dr Vanessa Davies
Ms Sara Drake
Ms Linda Duncan (Vice Chair)
Ms Hillary Gyebi-Ababio
Professor Maria Hinfelaar
Mr Oliver Johnson
Ms Angela Joyce
Professor Denise McAlister
Professor Craig Mahoney
Professor Sue Rigby
Professor John Sawkins
Professor Oliver Turnbull (from item 8)
Mr Craig Watkins
Professor Andrew Wathey
Professor Philip Wilson

In attendance

Officers:

Mr Douglas Blackstock (Chief Executive)
Ms Caroline Blackburn (Finance Director)
Mr Alastair Delaney (Director of Scotland, Wales & Northern Ireland) (For items 9 & 10)
Ms Lisa Evans (Governance Officer)
Ms Vicki Stott (Executive Director of Operations & Deputy Chief Executive)
Mr Tom Yates (Head of Corporate Affairs)

Apologies

Professor David Jones

Welcome and apologies

1. The Chair welcomed members to the meeting, in particular Eve Alcock and Hillary Gyebi-Ababio at their first meeting as QAA Board Members.
2. Another new Board member, Professor David Jones of Queen's University Belfast, had sent apologies as a result of urgent meetings resulting from the Covid-related announcements in Northern Ireland.
3. Professor Oliver Turnbull would join the Board meeting in the afternoon.

4. The apologies for the Away Day the following day were noted.

Quorum and interests

5. The meeting was declared quorate. No interests were declared beyond those previously notified and included in the Register of Interests.
6. The Chair reminded members that Annual Declaration of Interests forms had been sent out, and asked members to complete and return the forms to the Governance team as soon as possible.

Minutes

7. The Board approved the minutes of the meeting held on 17 June 2020 subject to the following amendment:
 - Minute 27 – the word ‘both’ to be deleted.

Actions

8. The Board noted the completed actions from the last meeting. The following update was provided on an outstanding action:
 - Action 68: It was agreed at the last meeting that Vicki Stott would raise QAA's concerns about the impact of student number controls with the Department for Education (DfE) and with Jean Arnold of Office for Students (OfS). Student number controls had since been removed for this year, so this action had been overtaken by events and could now be considered complete.

Matters Arising

9. Minute 4: The Chair reported that the Consultative Board had met for the first time, and reminded the Board that it had been set up as a new way to engage with Company Members and former Board Observers. Vanessa Davies had chaired the first meeting in Simon Gaskell's absence and EA had attended. VD reported that she felt it had been very valuable having EA in attendance to provide the student perspective; she also felt that QAA officers had been well prepared and given high-quality presentations. The debate had been interesting and positive, with particular interest around micro-credentials and modularisation, trans-national education, and the unequal impact of the move to online or blended learning. Tom Yates confirmed that positive feedback had received from some attendees. It was noted that there had been no OfS presence, which would have been helpful; it was **agreed** that Vicki Stott would raise future attendance with Jean Arnold of the OfS.
10. Minute 20: QAA had submitted a change report to - European Quality Assurance Register (EQAR), which stated that QAA considered itself to be fully compliant. Douglas Blackstock reported that no feedback had yet been received from EQAR. QAA had signed up to a mid-cycle review by European Association for Quality Assurance in Higher Education (ENQA).
11. Minute 35: The Board had at its last meeting noted the approval of the STA travel contract, made by correspondence in May following the termination of service by the previous provider. Caroline Blackburn reported that STA had subsequently gone out of business. Given the current restrictions there were no requests for travel at this point, but interim arrangements were being drawn up with advice from lawyers, and a full review of travel provision was being initiated with a view to finding a long-term solution.

Discussion items

Chief Executive's Report (item 4, BD-20/1-01)

12. The Chief Executive reported the sad news that former QAA staff member Jane Grey, who had worked in the executive office and in the policy team, had passed away in August. A member of staff was currently recuperating after a heart attack. This had happened at Southgate House; a colleague trained in first aid had assisted the colleague until taken to hospital. It was **agreed** that Douglas Blackstock would contact the colleague to pass on the Board's best wishes.
13. QAA had continued to operate in line with restrictions imposed in response to the Covid-19 outbreak. The offices were now open for the use of meeting rooms, although the health and safety of staff remained paramount; in particular, given the long duration of the restrictions, the Executive was conscious of the risks of growing fatigue and isolation. Consideration was being also given to whether QAA should help improve people's working environments.
14. The Chief Executive reported that there was extensive engagement with governments, including a now very positive relationship with the Department for Education at Westminster. DB had met with Amanda Spielman of Ofsted, following the announcement that Ofsted was to take over responsibility for the regulation of degree apprenticeships from OfS. QAA had offered assistance to Ofsted.
15. Membership renewal had been successful overall, with 222 providers in England renewing or joining (as of 2 October). However, a small number of disappointing non-renewals were noted, including the Universities of Oxford, Manchester and Surrey. QAA was keen to understand the reasons for these decisions and to keep in touch with non-members; it was vital meanwhile to deliver value to members in 2020-21. The membership journey was being reimagined, and an over-cautious approach to investing in delivery might risk other non-renewals in future. Overall, QAA was building on the strong position established during the challenging period of the pandemic.
16. DB reported that good progress continued on commercial developments. A further six institutions had recently signed up for International Quality Reviews, and a memorandum of understanding with the UAE federal quality assurance agency (CAA) was particularly helpful. An affiliate membership offer for professional, statutory and regulatory bodies (PSRBs) was under development. DB had had a positive conversation with Nicola Dandridge, CEO of OfS, about the efficiency savings requested by DfE, and had made the point that QAA's commercial development was an important enabling factor, as well as being in the interests of the sector.
17. Members wondered whether QAA knew whether its guidance to institutions during the pandemic was being followed. Vicki Stott reported that she was in the process of compiling a report from feedback from institutions on issues such as implementation of contingency plans, safety of students and quality of provision. She had received reports that many institutions were working in line with the QAA guidance. Members commented that QAA's help for institutions during this exceptional time was unlikely to be forgotten, and that QAA needed to be able to present examples of how its guidance had made a difference, in order to demonstrate value for money both to members and to providers that had not taken out membership this year.
18. The student perception of value for money and quality was also discussed. Board members noted that lecturers were putting in more work to deliver something which students saw as less desirable, and students were concerned about the perceived quality of their degrees in a difficult employment market. At least a year or two of

conspicuous grade inflation could be anticipated, but this partly reflected universities' pedagogical efforts and students' reactions to exceptional circumstances.

19. The Board noted the report and **endorsed** the adaptation to review methods to allow virtual reviews where restrictions on travel were in place.
20. The Chair commended the appendix on efficiency savings, which was taken as read; the Board was content with the approach suggested.

QAA Strategic Risk Register Review (item 5, BD-20/2210-02)

21. Tom Yates reported that the Strategic Risk Register had been updated, following feedback at the last Board meeting where it was suggested that the EQAR risk should be made more prominent. Risks around membership take-up and delivery and the potential reputational impact from successful commercial growth had also been updated.
22. The Board **approved** the risk register and **agreed** that a brief summary should be provided at the next meeting of how the document was used in practice to influence actions and decision making.

Year End Monitoring and Performance Report on Annual Plan and Finances (item 6, BD-20/21-04)

23. Vicki Stott updated the Board on the year-end outturn against the Annual Plan. QAA's 2017-20 strategy had come to its conclusion this year, and its successor had been launched in summer 2020. The Board noted the RAG ratings of performance against those strategic aims; more detail would be provided in the Annual Report and Financial Statement which was to be circulated in the next few weeks.
24. Caroline Blackburn detailed progress against the 2019-20 Annual Plan priorities. VS reported that the Designated Quality Body (DQB) KPMs were to be changed in order to reflect the new review method and "regulatory reset": QAA would draft the new KPMs and provide these to the OfS for discussion and agreement; positive feedback had been received from OfS on the new method, and the triennial review was likely to take place in spring 2021.
25. The Board noted a red indicator for membership and VS reported that the new Membership Director was reviewing the KPMs for membership in order to provide more segmented and sophisticated tracking of the membership journey.
26. A red KPM for International and Professional Services (I&PS) was also noted. VS reported that I&PS was doing well, with a very strong pipeline of work. The Chief Executive commented that the red indicators for those two areas felt harsh, in a year when budget had been exceeded despite exceptional challenges; the Chair agreed that these targets may have been over-ambitious.
27. CB reported that while the operating contribution of £3,693k was £184k higher than budgeted, the impact of Covid-19 had differed significantly across the business streams. A strong performance in membership had seen the income budget exceeded by £386k. In addition, the annual conference, regional networks and other smaller in person events had been postponed until 2020-21. All these factors combined to result in a surplus of £490k.
28. CB provided a summary of the financial position for the year ended 31 July 2020 and the Board noted the year end position.

29. The Board **approved** the following reallocation of funds between designated reserves and general fund:
- the release of the £23k excess which was no longer needed for the designated fund for restructuring;
 - the replenishment of the Innovation and Development designated reserve of £300k to continue to develop the membership service.

Report on Financial Matters (item 7, BD-20/21-05)

30. Caroline Blackburn provided the Board with an update on the USS pension scheme 2020 valuation. The illustrative future contribution rates for the pension scheme were noted; they were problematic for the sector as a whole. QAA's influence was small, but it would feed in its concerns.
31. On investments, the accounts showed a loss of £337k, which was in line with the market, and equities had begun to recover in June with the index climbing steadily through to the end of August as lockdown eased, to stall again in September. The Rathbones fund had followed this pattern, and comparative data for the latest quarter showed growth of 11.4%, in line with or better than similar funds.

Annual Budget Update (item 8, BD-20/21-06)

32. Caroline Blackburn reported that there had been very little change made to the annual budget since the last meeting. In June the Board had approved the high-level budget, on the understanding that work would continue on a detailed version to be presented to the Chair and Honorary Treasurer for approval by 31 July 2020. This action had been completed, and approval given. It was **agreed** that the schedule of meetings would be revisited to try to avoid delegation to the Chair and Honorary Treasurer in future.
33. The Board noted a comparison of the draft and finalised version of the Budget. In summary, the detailed version resulted in only small movements in deficits between the business streams (<£10k), and an improvement in the overall deficit of just £1k.
34. CB reported that the level of uncertainty in funding had also reduced as membership renewal had now exceeded budget and the international pipeline continued to grow. Further updates on the risks and opportunities were noted.

Alastair Delaney joined the meeting

Ways of Working Update (item 9)

35. Caroline Blackburn provided a presentation on the Ways of Working project. The Chair commented that this project reflected some actions required while the pandemic continued, but also some improvements that would endure beyond that – and that there was learning for similar crises in the future. The Board noted that workstreams for the project covered delivery of work, winning business, agile working, working environment, and internal and external communications.
36. CB reported that the 'delivery of work' stream was focused on quality checking of online review methods, procurement of an online events platform and the question of whether QAA required a virtual learning environment.
37. The 'winning business' workstream was looking at online commercial services and lead generation. The Board noted that despite initial doubts about customer appetite for virtual service delivery and lack of precedent, the move online had had no apparent

negative impact, and QAA was on track to achieve its commercial revenue targets for 20-21.

38. CB reported on the agile working principles, which included the delivery of an outstanding service to customers focused on outputs and quality of work. New working arrangements would be based on trust and fairness, with a flexible working culture that helped QAA and individuals thrive. Two internal surveys had been undertaken. The Chair asked if attention was being given to both the needs of staff and the need for QAA's service to be provided as normal. CB confirmed that focus groups had been set up to ensure that expectations were realistic and that the service was provided. Maria Hinfelaar asked whether reviewers had been included in this work; Alastair Delaney confirmed that meetings had taken place with reviewers in some areas. Given that reviewers may save travelling time, CB **agreed** to consider if that time could be used for training and team building.
39. Wellbeing initiatives were in place and staff wellbeing would remain a vital priority. Collaboration and engagement would continue, and change would be underpinned where needed by training and development.
40. CB reported that the Executive would design QAA's approach for the next six months and would agree QAA's principles for any long-term changes. External and internal communications had been reviewed, fortnightly all staff meetings were taking place, and improvements had been made to the website, intranet and briefing hub.
41. The Board thanked CB for an informative presentation and she **agreed** to provide the presentation to all Board members.

Service Presentation – Scotland Wales, Northern Ireland and Europe (item 10)

42. Alastair Delaney provided the Board with a brief overview of recent activity in Scotland, Wales, Northern Ireland (SWNI) and Europe.
43. AD reported that meetings with institutions across SWNI had taken place. Providers had been very positive about QAA and had expressed a real desire to work on enhancement. The Degree Apprenticeship Review had taken place in Wales. The new Enhancement Theme had launched in Scotland: Resilient Learning Communities. Online review methodologies were being developed further.
44. The Board noted that the international enhancement conference would take place on 3-5 November. The Chair noted the emphasis around common recognition of enhancement and the potential need to adopt different language in England and to learn lessons from SWNI. AD updated the Board on the EQAR Change Report and the ENQA Progress Visit.
45. AD reported that the Draft Tertiary Education and Research (Wales) Bill proposed establishing a Welsh Government-sponsored body by 2023, the Commission for Tertiary Education and Research (CTER), and that Higher Education Funding Council for Wales (HEFCW) would be dissolved. CTER would have a duty to ensure that assessments were made of the quality of higher education by registered providers. It would have the power to delegate this function to a body designated by Welsh Ministers. QAA hoped to be that body; it was clear from the draft bill that there was no current intention for the role to go to Estyn. Each registered HE institution in Wales and other appropriate stakeholders would be consulted before a recommendation was made; the consultation would end in December 2020. Meanwhile QAA continued to feed into the Scottish Funding Council's (SFC) review, which focused on sustainability.

46. AD commented that while there were risks to the current progress through personnel and potential political changes, there was opportunity for QAA in the common recognition in Scotland, Wales and Northern Ireland of the benefits of an enhancement-led approach, and QAA's reputation and relationships were strong. There was also potential for extending QAA's enhancement work to QAA's members in England.
47. Board members asked how intelligence from reviews in different parts of the United Kingdom were used across the nations – an example was given where allegations of misconduct had not been communicated. DB reported that discussions had taken place about institutions not passing on information.
48. The Board thanked AD for an informative presentation and AD **agreed** to provide the presentation to all Board members.

Board and Committee Business

Appointments and retirements to Board and Board Committees (item 11, BD-20/21-07)

49. The Board noted that the Nominations and Remuneration Committee (NRC) had received a paper at its meeting on 16 September and had made the recommendations indicated in this paper for Board approval. The Board noted the appointments to Committees approved at NRC.
50. The Board noted that Denise McAlister had left the Board and the Access Recognition and Licensing Committee on 2 October 2020. A replacement on the Committee was being sought and any interested Board member was asked to contact the governance team as soon as possible.
51. The Board **approved** the reappointments to the Student Strategic Advisory Committee:
52. The Chair reported that he had held conversations with Craig Watkins, Vanessa Davies and Sara Drake, who had agreed that they would each be happy to continue on the Board for a further 3-year term. Board members had been contacted for comments, and while only a few responses were received, all were strongly in favour; no concerns had been raised. Following consideration at the NRC Committee meeting in September and on the recommendation of the Committee, the Board **approved** the following reappointments:
 - Craig Watkins for a second and final 3-year term from 13 December 2020;
 - Vanessa Davies for a second and final 3-year term from 13 December 2020;
 - Sara Drake for a second and final 3-year term from 24th January 2021.
53. Professor David Jones, Pro-Vice Chancellor (Education and Students), Queen's University Belfast, had been appointed to the Board for an initial three-year term from 14 October 2020, pursuant to Article 46(ii), by which DfE(NI), HEFCW and SFC jointly appoint. The intention remained for such appointments to be made in future by the Board following nomination by the funding bodies; this required a change in the Articles of Association, which would be presented to Company Members in due course.

Committees Summary Report (item 14, BD-2020-105)

54. The Board received and noted the summary reports of recent meetings of the Board Committees.
55. Linda Duncan provided an oral update on the recent DQB meeting held on 7 October. At that meeting the Committee had approved its updated terms of reference and agreed that they would be reviewed again in 12 months. The Committee had received an operational update and noted key outcomes from the lessons learned project. The Committee had considered QAA's Quarterly report to the OfS, which would be submitted by 14 October. Other topics discussed included efficiencies, risks, and the moderation process. The committee had received the DQB Risk Register and discussed an updated audit of the current risks to QAA's work as the DQB in England. An update from the OfS Quality Assurance Committee meeting on 8 September 2020 had been noted and the re-boot of the OfS regulatory system discussed; the OfS had now drafted the first round of consultations.
56. Maria Hinfelaar also provided an oral update of the meeting of the QAA Wales Committee also held on 7 October. MH reported that the Committee had welcomed new members and the main item of discussion was the Draft Tertiary Education and Research Bill. The Committee had noted that QAA would respond to the consultation.

Calling of the AGM

57. The Board approved the draft Notice of AGM and noted that this meeting would take place on 16 December 2020, provided that restrictions allowed. Sara Drake offered assistance in navigating the latest arrangements, which might make a fully online meeting possible; Tom Yates **agreed** to follow up. The notice would be circulated at least 21 days in advance of the meeting.

Any Other Business

58. There was no other business for discussion and the Chair closed the meeting at 14.35.

Date of next meeting

58. The Chair confirmed that the next Board meeting on Wednesday 16 December 2020 would take place in Gloucester and by Zoom.

Board of Directors Action List				
Minute:	Action:	Owner:	Due Date:	Update:
14/10/2019	VS to raise the lack of attendance from OfS at the QAA Consultative Board with Jean Arnold of the OfS.	Vicki Stott	December	VS spoke to Jean Arnold, who confirmed OfS's intention to attend; there had simply been an issue finding someone appropriate

				for the last meeting. Complete.
12	DB to contact QAA colleague to pass on the best wishes of the Board for their recovery.	Douglas Blackstock	October	Complete.
22	TY to provide brief update at the next meeting on how the Risk Register was used in practice to influence had been used to influence actions and decision making.	Tom Yates	December	
32	The schedule of meetings to be revisited to try to avoid delegation of approval of the Annual Budget to the Chair and Honorary Treasurer in future.	Tom Yates	December	
38	CB to consider if time reviewers previously spent travelling could be used for training and team building	Caroline Blackburn	December	
41	CB to provide the Ways of Working presentation to all Board members.	Caroline Blackburn	December	Complete.
48	AD to provide the Service Presentation – SWNI to all Board members	Alastair Delaney	December	Complete.
57	TY to follow up with Sara Drake about AGM arrangements	Tom Yates	October	Complete