



## **Quality Assurance Agency for Higher Education**

### **Meeting of the Board of Directors**

**By Video Conference, 11:00 – 16:00**

**Minutes of the meeting on 14 December 2022**

#### **Present**

##### **Board Members:**

Professor Simon Gaskell (Chair)  
Professor Nic Beech  
Dr Vanessa Davies (from Item 8)  
Ms Sara Drake  
Ms Linda Duncan  
Ms Chloe Field  
Professor Rachid Hourizi  
Professor David Jones  
Ms Angela Joyce  
Ms Xenia Levantis  
Professor Karl Leydecker  
Professor Sue Rigby  
Professor John Sawkins  
Professor Oliver Turnbull  
Mr Craig Watkins  
Professor Philip Wilson  
Professor Tim Woods

#### **In attendance**

##### **Officers:**

Ms Vicki Stott (Chief Executive)  
Mr Alastair Delaney (Executive Director of Operations (Deputy CEO))  
Mr Tom Yates (Director of Corporate Affairs)  
Ms Caroline Blackburn (Finance Director)  
Ms Rachel Hill-Kelly (Assistant Company Secretary)

#### **Welcome, apologies and Chair's opening remarks**

1. The Chair welcomed members to the meeting.

#### **Quorum and Interests (Item 2)**

2. The meeting was declared quorate. No interests were declared beyond those previously notified and included in the Register of Interests.

**Minutes of the Board meeting held on 19 October 2022, actions and matters arising and note of the QAA Board Away Day (Item 3, BD-22/23-15 and BD-22/23-16)**

3. The minutes were approved as an accurate record, all actions were noted as complete or addressed elsewhere on the agenda.

**Consultative Board Update (Item 4, oral item)**

4. The Chair provided an update. Following discussion at the previous Board meeting stakeholders had been invited to provide updates on their priorities for the year ahead to provoke more useful discussion. This had been a success. Members raised points on the draft UK-wide statement, the possibility for the UK Quality Code to make explicit reference to micro-credentials and credit transfer, and the cost of regulation for FE providers who offer HE. The approach to the meeting structure would be continued and the ongoing success of the style evaluated.

**Chief Executive's Report and update on interactions with Funders and Regulators (Item 5, BD-22/23-17)**

5. Vicki Stott presented the report; since drafting there had been an onslaught of publicity for QAA. The Daily Mail had covered the Subject Benchmark Statements, suggesting they insisted that universities decolonise and insert critical race theory into curricula, a serious misrepresentation which had been picked up in wider media.
6. At a subsequent UUK meeting, the OfS CEO had set out the OfS's intentions on quality regulation.
7. In a debate on freedom of speech, Lord Patten, Chancellor of the University of Oxford, had in the House of Lords urged VCs to cancel QAA membership. VS had written to Lord Patten stating QAA's concern that he had not been well briefed and with an invitation to meet.
8. Concern had been raised internationally about QAA's decision to demit as DQB. The English system's move away from peer review was puzzling to international audiences as the UK had been presenting peer review as a gold standard for 25 years, and then moved away from it without an explanatory narrative. There were concerns internationally that the English system now lacked external validation.
9. QAA was giving careful thought to risk, reputation and strategy.
10. A new strategy was being developed to define and reinforce the value of QAA to the sector.
11. It was still unclear whether OfS would publish the summary triennial report.
12. The executive team had revisited the five-year business model to consider the worst-case scenario for the risks posed by these developments and had concluded that no changes to current plans were needed at this point. The next membership renewal in 2023 would be used as a barometer of how the sector in England had responded.
13. The Board expressed support for the senior team at a very demanding time; it was important to take a long view of the issues. The Chair commented that there were narratives to counter in a positive and proactive but careful manner.

14. VS and Simon Gaskell had met the shadow Education Minister, whom QAA had met with previously. Discussion had focussed on non-compliance with the ESG.
15. Alastair Delaney provided an update on interactions with funders and regulators. Professor Dame Julie Lydon had been appointed Chair and Professor David Sweeney appointed Deputy Chair of the Wales CETR strategy board, and the closing date for the CEO search had now passed. The CEO was expected to be in place from Summer 2023, and a new approach to quality implemented in the academic year 2026-27.
16. QAA had for the first time been commissioned to undertake an investigatory review of a provider in Wales.
17. QAA had become the first UK accrediting body to be licensed in Viet Nam.
18. The EQAR [web page](#) that mapped alignment with the ESG now showed the UK as only partially compliant. At present the whole UK was displayed as yellow; a technical change would be made to split the UK into its four constituent nations at which point England would display as amber.
19. The DfE had confirmed that it would conduct the consultation required prior to the Secretary of State de-designating QAA as the DQB in the near year, in time for the de-designation to be announced before 31 March 2023. QAA was upholding its part of the deal agreed with DfE and OfS to deliver the work agreed to 31 March.
20. Caroline Blackburn provided an update on financial modelling to stress-test the 5-year plan in the light of the risks that were now apparent. QAA would be able to trade through the next year in a worst-case scenario. No further action was therefore needed at this point, but the forecast would be monitored closely.

#### **QAA Strategic Risk Register Review (Item 6, BD-22/23-18)**

21. Tom Yates presented the risk register.
22. Risk S1 contained a reference to a summary statement that would be made public if the triennial was published. It stated that QAA contested the content of the report and had made formal representations on it, but did not intend to get into detailed exchanges with the OfS. The statement made clear that the OfS report was misleading.

#### **Quarter 1 Monitoring and Performance Report on Annual Plan and Finances (Item 7, BD-22/23-19)**

23. AD presented the report. At Q1 most areas were on track or with an acceptable variance. The amber in International and Professional Services was in relation to the income target: the pipeline of work remained strong, but there were some delays in delivery and therefore in receipt of income.
24. International Programme Accreditation (IPA) was progressing, deliberately limited at first to certain disciplines, but this would now be opened up and judgement made on a case-by-case basis.
25. Concerns had been raised by Access Validating Authorities, in particular about the increasing burden of regulation. QAA had decided to delay the review of the scheme, create a clearer strategy and then consult formally. The Board noted the importance

of QAA's work and the success of the steps taken to support students when one of the awarding bodies had gone into administration.

26. CB presented the Q1 finances.
27. In the year ahead SLT was focussed on securing international income and the launch of new services. Savings made in Q1 had been banked and teams asked to review non-pay spend where it did not impact on delivery. The cost of dilapidations in Gloucester and the March 2023 USS valuation would impact later in the year; the hope was that the USS valuation should this time make a positive impact.
28. Linda Duncan, Honorary Treasurer, commented that the marketing of membership renewal earlier in the academic year would be crucial; it was agreed that the Board should be given a substantial update at its next meeting.

*Vanessa Davies joined the meeting*

### **Report on Financial Matters (Item 8, BD 22/23-20)**

29. CB presented the report. The investment fund tracked benchmarks and indices, and since year-end it had decreased slightly in line with other funds.
30. USS was preparing for the 2023 valuation. CB had received an email on USS's financial monitoring report, which had showed the scheme was now in surplus. While not a predictor of the forthcoming valuation, it was a useful indicator and did suggest that QAA's free reserves might be positively impacted.
31. The Board noted QAA did not have control of the figures, and that the wide fluctuations in the valuation reduced confidence in the value of the figures. It made sense to focus attention on the cash position.
32. There would be an update with Rathbones in February on the investment portfolio as part of the annual review and performance of the fund. An invitation to new Board members was extended to join by Zoom if they wished. **Action:** Zoom details to be provided in the weekly update.

### **External Audit Findings Report (Item 9, BD 22/23-21)**

33. CB presented the report, which showed a clean audit. The report had been considered fully by the Audit and Risk Committee (ARC), since when there had been a few last-minute items which had now been completed for signature today, and the auditor was content.
34. Craig Watkins had been unable to attend the last ARC meeting; Linda Duncan had chaired in his absence. CW had studied the report, however, had no concerns, and thanked CB and her team for their work. LD reiterated the rigour of ARC's scrutiny of the report; substantive questions had been asked about the accounts and the forward look for going concern in light of worst-case scenarios. The Auditors were comfortable with the revision and going concern was not an issue. Substantial data analytics had been carried out; the data was interesting, though had raised no concerns, and CB would explore other uses for the data, for example as performance indicators.

### **AGM with company members**

## **Twenty- Fifth Annual General Meeting of the QAA**

### **Minutes of the meeting on 14 December 2022 by videoconference**

#### **Present**

#### **Authorised Company Members' representatives:**

Claire Bannister (representing Universities Scotland)  
Alex Bols (representing GuildHE)  
Rowan Fisher (representing UUK)  
Chris Laity (representing Universities Wales)

#### **Board Members:**

Professor Simon Gaskell (Chair)  
Professor Nic Beech  
Dr Vanessa Davies  
Ms Sara Drake  
Ms Linda Duncan  
Ms Chloe Field  
Professor Rachid Hourizi  
Professor David Jones  
Ms Angela Joyce  
Ms Xenia Levantis  
Professor Karl Leydecker  
Professor Sue Rigby  
Professor John Sawkins  
Professor Oliver Turnbull  
Mr Craig Watkins  
Professor Philip Wilson  
Professor Tim Woods

#### **In attendance**

##### **Officers:**

Ms Vicki Stott (Chief Executive)  
Mr Alastair Delaney (Executive Director of Operations (Deputy CEO))  
Ms Caroline Blackburn (Finance Director)  
Mr Tom Yates (Director of Corporate Affairs)  
Ms Rachel Hill-Kelly (Assistant Company Secretary)

The Chair welcomed Company Members to the meeting, confirmed that a quorum was present and declared the meeting open.

#### Resolutions

##### **Resolution 1 – Minutes of the Annual General Meeting, 15 December 2021**

The minutes of the Annual General Meeting held on 15 December 2021 were **approved** as a correct record.

##### **Resolution 2 – Report to the Company Members from the Chair**

1. The Chair provided a brief update, it had been a challenging year for QAA and some challenges would continue into the new year.

2. Alex Bols thanked the executive on behalf of the Company Members for a busy, productive year in challenging circumstances, and reflected, in QAA's 25<sup>th</sup> anniversary year, on how much the Agency had changed and innovated.

### **Resolution 3 – Annual Report and Consolidated Financial Statements for year ended 31 July 2022.**

3. The Annual Report and Consolidated Financial Statements had been compiled in accordance with Companies House and Charity Commission obligations. QAA had received a clean audit report. A late change to the split on funds had been made and included in the note but not yet in the report. The date of approval would be 14 December 2022. Page 50 would be amended to read 'transnational education'. It had been a thorough and probing external audit, which QAA's Audit and Risk Committee had scrutinised in detail.
4. The Annual Report and the Consolidated Financial Statements were **approved**.

### **Resolution 4 – QAA Letter of Representation**

5. The Letter of Representation was received and **approved**.

### **Resolution 5 – QAAE Letter of Representation**

6. The report and accounts were noted. QAAE would not formally enter into dormancy but was now formally inactive.

### **Resolution 5 - Remuneration of Auditors**

7. The reappointment of the auditors, and the delegation of authority to determine their remuneration, were **approved**.

### **Resolution 6 – Signing of Reports**

8. It was **agreed** that the Chair and Company Secretary be authorised to sign the Annual Reports and Financial Statements and Letter of Representation for the QAA and QAAE.

## **Meeting of the Board of Directors (with Company Members in attendance)**

### **Update on Current Issues from the Chief Executive**

37. Vicki Stott provided an update. QAA was in the process of drafting a new strategy. A high-level outline was in place and SLT were considering the implications for that strategy of press coverage in last few weeks.
38. QAA had taken the decision to demit the DQB role because the non-compliance of the English regulatory regime with the European Standards and Guidelines meant that QAA could not maintain its EQAR registration, necessary for its work in the other nations of the UK and for its international work. QAA were pleased to see OfS addressing the issue, and while it was for EQAR to assess compliance, it welcomed OfS's moves to address this.

39. OfS still intended to publish its triennial report, likely in summary form. Representations had been made, as the report was inaccurate. Its publication may constrain QAA's ability to deliver new business services but this was being worked on.
40. QAA was leading the sector in two key conversations; renewing the Quality Code, which; and exploring the role and value of degree classifications. Discussions would span the membership year and various events to progress discussions would take place. The UK Standing Committee for Quality Assurance (UKSCQA) would receive a draft revised code for consideration in June.
41. The latest round of Collaborative Enhancement Projects included one led by a QAA international member for the first time. 16 projects had been successful from a pool of 68 applicants.
42. In England QAA had developed advice to implement new external examining principles. This included reflective questions to evaluate roles and approach, and linked closely to the principles developed with UKSCQA and GuildHE.
43. In Wales, QAA was developing an external quality review method with HEFCW. It was identifying areas for collaboration with Scotland and Northern Ireland, including a commonality of approach to quality and standards.
44. In Scotland the team was working to operationalise the new Scottish external review method. The SFC had restated its commitment to co-creating the Tertiary Quality Framework with the sector.
45. In Northern Ireland QAA was closely engaged with DfE-NI on the new review method that would be co-created with the sector and this was with the DfE-NI procurement team for approval.
46. QAA continued to enter international collaborative agreements on a system-to-system basis. The QE-TNE scheme was in its second year with 45 participants engaged so far. 2022-23 was the first full year of international membership.
47. QAA had become the first UK accrediting body to be licenced in Viet Nam. Plans were in place for building a market presence there that included QE-TNE and IQR.
48. QAA was scheduled for an ENQA review visit in February, and terms of reference for the visit were being confirmed. QAA's Self-Assessment Report would be published in the next few weeks.
49. The agency was waiting on the Secretary of State to announce consultation on the de-designation of QAA as the DQB in England. DfE had informed QAA that the consultation would be brief.
50. A number of new services were being progressed by QAA and were in development and planning stage with market research being undertaken. The new services would sit in a new directorate of Europe, Access and Educational Oversight headed by Rob Stroud. The new services included training on quality assurance for governing

bodies, DAPs support and voluntary review. There had been considerable interest in those services, including offers of support at Consultative Board.

51. Simon Gaskell thanked Company Members for the constructive input at the recent Consultative Board meeting. He highlighted the central role that students play in QAA's work, including through the Board and the Student Strategic Advisory Committee. Xenia Levantis commented that in relation to recent press coverage QAA had been in line with student thought on the issues. Chloe Field agreed students had been reassured to see QAA acknowledge the importance of those issues.
52. In particular, SSAC had considered how to make information more accessible and how to make students more aware of ways they can feed into conversations about quality. There was a continuing need to explain QAA's role and priorities and clarity in those explanations.
53. Rowan Fisher acknowledged that the last couple of months had been challenging for the sector – but it was also an exciting moment for strategic development. UUK was happy to support on discussions around the Quality Code and degree classifications.
54. VS stressed that QAA was keenly aware of the need to think beyond the short term and link to its members, students and representative bodies to establish its place in the firmament. A programme of stakeholder engagement to inform the strategy was being pulled together which would take place early in the new year to be in place before QAA moved away from the DQB role.

### **Board and Committee Business (Board Members only)**

*Millie Crook joined the meeting*

#### **HR Annual Reporting (Item 10, BD 22/23-22, BD 22/23-23)**

35. Millie Crook presented the HR report, which summarised 2021-22 and the year to date. The Board noted the comprehensive report and commended the Flex+ initiative. QAA was ahead of the curve on flexible working which had a positive impact on recruitment; it had increased the quality of the applicant pool and it was noticeable that some new starters were prepared to exchange salary for flexibility.
36. Performance was still managed carefully by managers; overall productivity had increased across the agency.
37. The gender imbalance in bands 3 and 5 was noted; MC informed the Board it was harder to get men into more junior roles regardless of how widely they were advertised.
38. The Board noted and commended the move toward “growth conversations”. It went hand in hand with a shift in mindset to support innovation and growth.

*Millie Crook left the meeting*

### **Annual Report on Complaints, Appeals and Legal Actions (Item 14, BD 22/23-26)**

39. Rachel Hill-Kelly provided an update on complaints, appeals and legal actions in the previous year. The Board noted the appeals processes had been revised to ensure compliance with ESG 2.7.
40. QAA had received legal advice about its vires to hear representations on DQB methods after 31 March 2023. The advice was that QAA would have no legal basis to do so. As QAA owned the methods, had conducted the reviews, and some of the representations could be in progress on the date of de-designation it would be logical for QAA to consider representations as per its usual procedures. OfS would be contacted to suggest QAA be contracted to hear these representations after 31 March.

### **Committee Reporting (Item 15, BD 22/23-27)**

41. SSAC had met with its new membership and chairs for the first time. Xenia Levantis highlighted the wide range of student experience within the new membership. VS and SG had joined to discuss the decision to demit the DQB role.
42. The ACDAP pipeline of work to 31 March was still volatile and clarity in the cut off points was still needed. ACDAP had met in November and reviewed its experience to date and what would be needed to meet the requirements for DAPs applications from Scottish, Welsh and Northern Irish providers. A flexible but knowledgeable group would be needed, who would be willing to convene at short notice.
43. ACDAP would continue to meet as required with revised membership. The volume of work would be smaller, and the length of process meant membership would change during applications. A better balance of the nations would need to be reflected in the membership. The risk was that members might drop off if there was no work and ACDAP would then struggle for quoracy. Existing members of the committee made a high commitment of time. **Action:** SG to thank members of ACDAP for their work.
44. ARC had received a comprehensive report on QAA's compliance with the Welsh Language (Wales) Measure 2011. It demonstrated QAA's commitment to compliance. The Committee had received an Internal Audit report on business management. It was a positive report and in future the approach to IA would be linked to the strategic risk register.

### **Audit and Risk Committee Annual Report to the Board (Item 16, BD 22/23-28)**

45. Craig Watkins presented the report. The approach to Internal Audit was right, recognising the size of the organisation. The risk register was a useful tool that enabled the committee to hold the executive to account. ARC was fulfilling its function in supporting the Board and the Executive team.
46. The Board noted the priorities for coming year, a full discussion around risks and what the Committee should be considering developed from there.
47. Karl Leydecker asked about consideration of sustainability and environmental concerns, particularly in light of QAA's position as a forward thinking organisation. RHK was leading on sustainability and environmental concerns and would contact CW to agree reporting to ARC. **Action:** RHK to contact CW.

## Any Other Business (Item 17)

The Chair reiterated the importance of Board member engagement in supporting the QAA publicly and in messaging. The Chair thanked Board members for their contributions over the calendar year.

## Date of the next meeting

Wednesday 15 March 2023 at the Jisc Offices, Fetter Lane, London. The meeting on 14 June 2023 would take place in Glasgow to coincide with the Scottish Enhancement conference.

<b>Board of Directors Action List</b>				
<b>Minute:</b>	<b>Action:</b>	<b>Owner:</b>	<b>Due Date:</b>	<b>Update:</b>
14/22-23	Circulate a short brief to members to address current media and OfS narratives	TY	16/12/2022	Completed
24/22-23	Circulate draft statement in response to triennial publication confidence to the Board.	TY	16/12/2022	Completed
34/22-23	Zoom details for Rathbones meeting to be provided in the weekly update.	CB	31/1/2023	Completed
43/22-46	SG to thank ACDAP members for their work	SG		
47/22-50	CW to be contacted about Environmental and sustainability reporting to ARC	RHK	23/12/2022	Completed