



Quality Assurance Agency for Higher Education

Meeting of the Board of Directors

**Saint Aidan's College, University of Durham and by Video Conference,
13:30-17:00**

Minutes of the meeting on 19 October 2022

Present

Board Members:

Professor Simon Gaskell (Chair)
Professor Nic Beech
Dr Vanessa Davies
Ms Sara Drake
Ms Linda Duncan
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. Apologies had been received from Chloe Field.
2. The Board **approved** the appointment of Professor Tim Woods and Ms Xenia Levantis, who then joined the meeting.

Quorum and Interests (Item 2)

3. 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 15 June 2022, actions and matters arising (Item 3, BD-22/23-01)

4. The Board **approved** the minutes of the meeting held on 15 June 2022.
5. The Board noted that actions arising in minutes 21/22-59, 21/22-67 21/22- 69 would be included in the HR report at the December meeting.
6. All other actions from the previous meeting were noted as complete or were addressed in later items; the Board noted the updates provided.

Consultative Board Update (Item 4, oral item)

7. Tom Yates provided an update from the Consultative Board meeting held on 21 September 2022.
8. The usual update from QAA had been provided, including on the demission of the Designated Quality Body (DQB) role and an outline of the transition arrangements. Of most concern to attendees were the arrangements for degree-awarding powers in England. Updates on activity in the nations had been given by representatives from the respective funding bodies.
9. The Consultative Board was performing its function of providing a forum for stakeholders, though it had become more a forum for listening not speaking. A better balance could be struck with greater input from external attendees. It was proposed that the Consultative Board be reconstituted, perhaps renamed the Stakeholder Board. The Chair added the suggestion that attendees be invited to prepare in advance of each meeting to speak on particular topics.
10. The Board supported the idea of encouraging attendees to prepare in advance to speak on particular topics. It **agreed** that a formal refresh of the format would be beneficial, but not while QAA still held the DQB role. Careful consideration should be given to the name; the relationship with OfS would remain an important one for QAA even without the DQB role.

Chief Executive's Report (Item 5, BD-22/23-02)

11. Vicki Stott presented the report.
12. The Board noted that the removal of an AVA licence had been approved by Chair's action on 30 August 2022.
13. The Welsh government was applying for its own registration on the European Quality Assurance Register (EQAR). In Scotland informal conversations with SFC indicated an intent to make QAA the tertiary quality body, there was similar intent in Wales.

14. VS had attended a Four Nations College Network (FNCN) event. This was a newly formed network of colleges led by David Cragg, the former WorldSkills UK chair. There was a great deal of will to make FNCN successful and it would add an aspect of UK-ness to the FE sector. It was working with the Association of Colleges (AoC) in key policy areas. The network was considering approaches to technical and vocational education and training (TVET) and looked to comparators in South Africa, Canada and Norway as well as in Scotland Wales and Northern Ireland. The FNCN was not a direct replacement for the UK Council of Colleges, though it had filled that space.
15. QAA's international work continued to grow. The Chair asked if the picture on QAA's international work was wholly positive. On the whole international relationships were built on approaches to QAA, and QAA would only proceed if it could see a mutual benefit and it could provide a service.
16. Concerns had been raised internationally about QAA's demission as DQB; the distinction between England and the UK was not always well understood internationally, so despite clear messaging that the issues were specific to England, there was justifiable concern in the Scottish, Welsh and Northern Irish sectors.

Report and Interactions with Funders and Regulators (Item 6, BD-22/23-03)

17. Alastair Delaney presented the report. AD was involved in discussions with the Welsh government to provide advice to ministers about engagement in the European Higher Education Area (EHEA). The UK was at present the only representative on EQAR; it was felt in the devolved nations that in the current climate each nation should be a separate member. EQAR had a specific quality dashboard, which was likely to turn red for England, on the basis that it was not compliant with the European Standards and Guidelines (ESG). EQAR had been clear it wanted the dashboard to reflect this was for England not the whole of the UK. If all three nations applied for membership simultaneously it would make a decision easier.
18. AD had joined a panel on international impact of UK HE at the Independent HE conference. It was clear that as with other representative bodies, members did not entirely understand what was happening in relation to EQAR. Interest was growing in this as international partners became aware of the situation in England and ask questions of their UK partners. The Chair noted with interest the EQAR preference to hear from the three nations separately, particularly given the potential for setting a precedent that would be relevant for other European nations.
19. The Board noted that while relationships were good with funders and regulators, there were still areas that could throw up challenges. The relationship with the SFC was positive. The Board noted that QAA had undertaken excellent work with the SFC review, which was now well placed for the next phase in part due to the efforts of QAA.
20. In Wales the challenge would be changes resulting from the new commission. It was as yet unclear if HEFCW staff would move into the new commission; engagement was positive, but new relationships might need to be built. The new commission

intended to set up QAA from 2023-24 and not revisit this arrangement until the end of the 5 year cycle.

21. In Northern Ireland, progress had been made but the pace of change remained slow. QAA was yet to be formally engaged to develop the new approach to quality. David Jones noted that QAA engagement with institutions was particularly important.
22. AD noted that there was significant overlap between his report and the CEO's; the two might be combined in future.

QAA Strategic Risk Register Review (Item 7, BD-22/23-04)

23. TY presented the strategic risk register. It had been reconsidered in its entirety as the two top strategic risks in the previous version had simultaneously crystallised. The revised register had been populated by the key risks as perceived by SLT, then referenced against the former version.
24. The format remained unchanged. Most of the top strategic risks related to the regulatory environment and divergence between the nations of the UK; the non-compliance of the English system was a fundamental problem in the UK sector, as well as a risk to QAA.
25. The Chair noted that risks S2 and S4 were similar; the two risks should either be combined or more clearly differentiated. The tendency towards further integration of further education and higher education should also be reflected.
26. Risk S2 should also encompass the possibility of a politicised outcome to the designation of a new DQB, and the mitigations might include advocacy from a point of QAA neutrality.
27. In risk S4, the focus and mitigating actions should be re-worded to reflect the need for appropriate engagement with figures from across the spectrum, and emphasise QAA's independence.
28. Board members suggested that the risks around the Access to HE diploma should be reflected in the risk register. An Access Validating Authority (AVA) had gone into liquidation over the summer; there was also threatened de-funding of level 3 qualifications.
29. There was some discussion of reputational risk. It might be helpful to reflect on how QAA managed its reputation in the broadest sense. This might be achieved through an introductory statement relating to the underlying risk areas.
30. The Board provided further detailed comment. The risk register would be reviewed following today's discussion and also the discussions on strategy at the away day, and then be presented to ARC in November, for approval at the next Board meeting on 14 December 2022.

Annual Plan, Budget Monitoring and Performance Report (Item 8, BD 22/23-06)

31. The Board noted the report. Caroline Blackburn and AD presented a review of the annual plan to 31 July 2022. QAA had had a good year, which was primarily down to

the staff who delivered the ambitious plan at a time of existential change and challenge.

32. The budget for external quality assurance (EQA) of the end-point evaluation of degree apprenticeships had yet to be agreed going forward. There was a gap between what had been sent to government for approval which had been based on anticipated activity, The level of activity required was far higher than this and work had paused while QAA was waiting to negotiate. QAA expected to continue to fulfil the EQA role until 31 March 2023.
33. There was no significant change from the quarter 2 and 3 forecasts though within the figure there were changes, and international income was lower. Some savings in business support had been made to offset this. Revenue in membership and international was better than against the original budget and this had been used to fund additional spend in membership. The margins in international were better so the operating surplus was also up. Financial issues out of QAA's control included the pension deficit, a large liability that had increased by £2m to reflect the USS valuation.
34. Linda Duncan noted that she was comfortable with the lower level of reserves. Of the free reserves there was £350,000 in the I&D fund that would be called on to finance the development of new QAA business services.

Report on Financial Matters (Item 9, BD 22/23-07)

35. CB presented the report. The Board noted the investment and pensions updates. The USS pension scheme was classed as an open scheme; it did not have the levels of liability matching that closed schemes had, and was therefore not under pressure to sell assets. The recent market volatility was not welcome, but interest rate rises would generally have a favourable impact on the scheme.
36. The value of the Rathbones investment portfolio had declined significantly, in line with markets. Losses would only materialise if investments were sold. QAA would continue to have a balance of working capital, so there was no immediate need to sell holdings or draw down cash.

Articles of Association (Item 10, BD 22/23-08)

37. Tom Yates presented the paper. Changes were proposed in three areas for the Board to approve ahead of circulation to Company Members for approval.
38. It was proposed to amend QAA's charitable objects so as not to constrain Further Education work; the proposed change to use the term tertiary education would enable this.
39. Changes were proposed to the membership of QAA's Board. Following discussion in June and at NRC, it was proposed that the Board be able to co-opt three further members; among other things this could allow for the ENQA recommendation of an international member. The Board noted it might be politic to co-opt a member from the Further Education sector in Scotland.

40. Finally, proposed changes would make explicit the ability to call and hold the Annual General Meeting virtually. Wording for this had been provided by QAA's legal advisors.
41. Board members noted that, with reference to Article 50 (formally 46), it was preferable to avoid naming specific bodies, but rather to indicate the constituency a body might be taken to represent, so as to remove the need to amend the articles when organisations changed names. The impression should not be given, however, that well established bodies such as the SFC might lose nomination rights.
42. The Board **approved** the changes for circulation to Company Members, subject to the removal of named bodies where possible.

ENQA Self Assessment Report Final Draft sign-off (Item 11, BD 22/23-09)

43. AD presented the Self Assessment Report for the ENQA review visit. It was a final draft for approval and contained feedback from Board members but no substantive updates since the version circulated to the Board for comment in August.
44. AD provided an update on the changes between drafts. The initial ENQA review timescale meant that QAA had anticipated sign-off would be by circulation, but the revised timeline meant the final version had been included in the Board papers. The final draft clarified the status of QAA's Academic Integrity Charter, included the Board's decision to approve recruitment of an international Board member and had been clarified in various technical details. It would be submitted to ENQA post Board approval.
45. The Board **approved** the Self Assessment Report. The Chair noted that it was an excellent introduction into what QAA does and commended it as a means for understanding the organisation.

Appointments and Retirements to Board and Board Committees (Item 12, BD 22/23-10)

46. The Board noted the appointments and retirements to the Board and its sub-committees. The Board **approved** the following appointments:
 - a) to the Advisory Committee for Degree Awarding Powers (ACDAP)
 - Ms Nina Culpic for a second 1-year term until 8 November 2023
 - Mr Harry Williams for a second 1-year term until 8 November 2023
 - b) to the Audit and Risk Committee (ARC)
 - Ms Xenia Levantis for an initial 1-year term until 19 October 2023.
 - c) to the Student Strategic Advisory Committee (SSAC)
 - Ms Chloe Field for an initial 1 year term, as co-chair, until 19 October 2023.
 - Ms Xenia Levantis for an initial 1 year term, as co-chair, until 19 October 2023.

A recruitment process had been run over the summer for appointments to the SSAC with applications screened by a panel. The Chair noted that the process followed to recruit to SSAC was rigorous and gave a strong set of recruits. The Board **approved** the following for an initial 1-year term until 1 October 2023:

Name	Institution	Role
Alam Mahbulbul	Nottingham Trent University	Student
Conor Naughton	Nottingham Trent University	Student
Cali Jakes	Lancaster University	Student
Ness Chigariro	University of Birmingham	Sabbatical Officer
Kathryn Cribbin	Manchester Met University	SU Staff Member
Zoe Newth	Bath Spa University	SU Staff Member
Daniel Chevalier	Winchester University	Sabbatical Officer
Liam Brady	University of Glasgow	Sabbatical Officer
Jack Medlin	Keele University	Sabbatical Officer
Lucy Kathryn Adams	Leeds Beckett University	Student
Ellis James Thomas	University of South Wales	SU Staff Member
Stella Morris	University of St Andrews	Student

The Board **approved** the following for a second and final term until 1 October 2023.

Harry Michael Williams	Keele University	Graduate (ACDAP student representative)
Amy Elizabeth Gallacher	University of St Andrews	Sabbatical Officer
Ondrej Kucerak	University of Aberdeen	SU Staff Member
Sean Righardt Holm	Swansea University	Student
Christopher Brasnett	University of Bristol	Graduate
James Edward McHale	University of Leeds	Student
Emma Murphy	Queen's University Belfast	Sabbatical Officer
Jamie Thomas Crawford	Blackpool & The Fylde College	Sabbatical Officer

47. The Board **approved** the appointment of Professor Tim Woods as Chair of the QAA Wales Strategic Advisory Committee.
48. The Board noted the updates on future appointments. Five Board members' second terms would expire in 2023 and January 2024. A job description had been drafted which on the advice of recruiters focused on the first two vacancies with a specification broad enough to identify potential recruits for other posts. **Action:** TY to circulate the specification to NRC.
49. Clarity was provided on the consideration to be given to diversity in the recruitment process. QAA had insisted in the past on a diverse shortlist, and would do so again, though it would not stipulate an absolute quota. The Board should reflect diversity of experience and thought, and sector representation. QAA did not struggle to achieve diversity in for example geographic spread, gender or age, but it was less strong in other areas such as ethnicity. The Chair noted that QAA's Board was unusual in needing to pay attention to the diversity not only of Board members but of the institutions from which they came.

50. To avoid any possible misconception that the vacancies related to QAA's demission as DQB, the advertisement should make clear that they resulted from terms that were expiring.
51. The Chair reflected that the Board depended considerably on the expertise of those members, and their chairing of sub-committees which represented a considerable time commitment for which the Board was grateful.

Committee Reporting (Item 13, BD 22/23-11)

52. The Board noted the updates from the sub-Committees. ACDAP would continue to have a full schedule until demission in March 2023, when it would be convened in a different formulation yet to be determined to hear applications from Scottish, Welsh and Northern Irish providers.
53. The Board **approved** the revised terms of reference for ARLC, subject to amending the repeat numbering. The Board noted that the number of ARLC meetings would reduce from three to two each year.
54. The Board **approved** the representations procedure for Standards Assessments.
55. A representative from SFC had attended the QAA Scotland Committee meeting on 6 October and had found attendance beneficial. There was discussion about separate Scottish membership of EQAR, with the Committee's view being that this would be beneficial for the Scottish sector and for QAA.

Caroline Blackburn, Alastair Delaney and Tom Yates left the meeting

Executive Pay Award (Item 14, BD 22/23-12)

56. Simon Gaskell presented the executive pay award paper that reflected NRC's recommendations. VS provided a brief assessment of individual director performance.
57. VS noted that it was an extraordinary executive team that in a very tough year had addressed several complex problems, and her first year as CEO had been eased greatly by the support of the team. The team was comfortable in providing robust challenge to each other, but it was also very supportive. VS was proud to be part of such a team. SG enthusiastically endorsed this view and credited VS for assembling the team. The Board unanimously agreed with the assessment of performance.
58. The Executive team felt that remuneration should be completely transparent, and therefore wanted the non-consolidated pay award removed in perpetuity. The Executive asked that the pay award reflect the award to staff; it had been a complex and challenging year for all staff and it would be iniquitous to have the Executive remunerated more generously than staff in general. The agreed pay award decreased in line with seniority, which would mean an award of 3% for the executive team; this was in line with the wider HE sector.
59. The Board **approved** the proposal for the pay award for Executive Directors, and the removal of the non-consolidated award for the current year.

Vicki Stott left the meeting

60. The Chair presented the pay award for the CEO. The Board noted that the CEO also wished to receive only the consolidated award of 3%.

61. The Board noted that the CEO's performance had been very strong and that VS had built a strong team, an indication of good leader. VS had demonstrated sure-footed leadership, and the Board had been kept fully informed of the thinking of the executive.

62. The Board **approved** the 3% pay award.

Calling of the Annual General Meeting (Item 15, BD 22/23-13)

63. The Board approved the notice of the Annual General Meeting to be held on Wednesday 14 December 2022.

Any other business

There was none.

Chair's closing remarks

The Chair thanked the Board members for their time, the meeting would be followed by the annual Board dinner.

Date of meeting

Wednesday 14 December 2022 via zoom at 11am to include the AGM.