



Quality Assurance Agency for Higher Education

One hundred and twelfth meeting of the Board of Directors

Confirmed minutes of the meeting on 13 March 2019, 11.00-12.15

Open business

Present

Members: Mr Christopher Banks (Chair) Mr Matt Adie
Mr Stephen Criddle Dr Vanessa Davies
Mr Amatey Doku Ms Sara Drake
Ms Linda Duncan Mr Oliver Johnson
Professor Maria Hinfelaar Professor Craig Mahoney
Professor Denise McAlister Professor Helen Langton
Professor Andrew Wathey (TC)
Mr Craig Watkins (items 1-7)
Professor Philip Wilson

Apologies

Members: Professor Oliver Turnbull Professor Philip Winn

In attendance

Chair Designate: Professor Simon Gaskell (from item 5)

Officers: Mr Douglas Blackstock (Chief Executive)
Miss Lavinia Blakett
Mrs Natalie Haines
Mr Ian Kimber
Mr Will Naylor
Ms Rowena Pelik
Mrs Liz Rosser

Company members' representatives:

Mr Alex Bols (GuildHE)
Mr Will Hammonds (UUK)

Observers: Ms Jean Arnold (OfS)
Mr Ben Elger (OIA)
Ms Susan Lapworth (OfS)
Mr Alex Proudfoot (IHE)
Ms Arti Saraswat (AoC)
Ms Hannah Sketchley (NUS)

Welcome and apologies

1. The Chair welcomed members, company member representatives and observers to the meeting. Apologies were noted.
2. Congratulations were extended to Mr Craig Watkins on his appointment as Chief Executive of Kantar Public UK, and Ms Sara Drake on her appointment as CEO of ICSA: The Governance Institute.

Quorum and interests

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3. The meeting was declared quorate.
4. No interests were declared.

Minutes and matters arising from previous meetings

Minutes from the meeting held on 12 December 2018 (item 3, BD-2019-04)

5. The minutes of the open business of the meeting held on 12 December 2018 were approved as a true and accurate record of the meeting.
6. There were no matters arising from the last minutes that were not covered in the agenda.
7. Mr Oliver Johnson requested that, in reference to paragraph 6 of the minutes, the notes from the OfS workshop on key performance measures (KPMs) be shared with Board members.

Discussion items

Appointment and retirements to the Board and Board Committees (item 5, BD-2019-05)

8. Mr Chris Banks reconfirmed his intention to step down as Chair of the Board. A recruitment campaign for a successor had taken place with the support of external recruitment consultants and a strong field of candidates had been considered. A selection panel comprising Professor Philip Winn, Ms Linda Duncan, Miss Lavinia Blackett, Mr Matt Adie and Professor Maria Hinfelaar had unanimously agreed to recommend to the Nomination and Remuneration Committee, the appointment of Professor Simon Gaskell as Chair of the Board.
9. Professor Gaskell brings to the position a wealth of experience from a career in academic research and senior university leadership. He retired as President and Principal of Queen Mary University of London in 2017. He served on several national committees and groups, including two terms as both Treasurer of Universities UK and as a member of its Executive Committee; chairing the Board of the Higher Education Statistics Agency from 2013-17; and interacting with the Westminster Government on a range of issues during the passage of the Higher Education and Research Act 2017. He also chaired Universities UK's regulation task and finish group, which in 2015 published an influential set of recommendations for reform.

10. The Board **approved** the appointment of Professor Gaskell as Chair of the QAA Board, pursuant to Article 60, and as Independent member pursuant to Article 46 (iii) for an initial three-year term from 14 March 2019 (until 13 March 2022).
11. Professor Gaskell was welcomed to the meeting. Professor Simon Gaskell thanked the Board for the opportunity at such a significant time for QAA and the wider higher education sector.
12. The Board **approved** the following Committee appointments:
 - a) to the Nomination and Remuneration Committee (NRC)
 - Professor Simon Gaskell as Chair until 13 March 2022
 - b) to the Advisory Committee for Degree Awarding Powers (ACDAP)
 - Dr Vanessa Davies independent Board member as Chair of the new ACDAP Committee from 14 March 2019 for an initial term of one year until 13 March 2020.
 - c) to the Student Strategic Advisory Committee (SSAC)
 - Ms Katharina Greve, Post-doctoral Researcher, Department of Engineering, University of Cambridge for an initial term of one year from 14 March 2019 with eligibility to be reappointed for a further one-year term.
 - d) to the Access Recognition and Licensing Committee (ARLC)
 - Ms Beth Massey as student member reappointment from 14 March until 31 July 2019.

Chief Executive's report (item 6, BD-2018-06)

13. The Board **noted** the Chief Executive's report on recent policy developments. The Chief Executive highlighted the following:
 - Ongoing work in campaigning against essay mills and contract cheating including a joint media campaign with DfE targeting on-line platforms planned for 19 March.
 - Discussions over potential funding options for a UK Centre for Academic Integrity are continuing. QAA had shared proposals with UK funding bodies and governments, as well as with UK Research and Innovation. The Office for Students (OfS) had responded positively to the proposals after discussion with other UK funding bodies, and had proposed that this work be sector funded, with oversight of the work of the Centre residing with the UK Standing Committee for Quality Assessment (UKSCQA), in respect of its UK activities. Mr Blackstock noted that any potential funding stream and accountability for this work would need to be compatible with QAA's Membership model and recognise the role of the Academic Integrity expert group. Further discussions would now take place with Professor Andrew Wathey, Chair of the UKSCQA, to clarify respective roles and avoid any duplication of effort.
 - Professor Craig Mahoney asked whether there were concerns regarding the UK university admissions process following the recent exposure of corruption in the American system. The Chief Executive responded that other than previously aired concerns about the use of agents he had no evidence to suggest this was

the case. Any concerns brought to the attention of QAA would be shared with appropriate bodies.

- Following confirmation by UUK of the importance of continuing a programme for the quality assurance of UK transnational education (TNE), preparations for QAA's 2019 TNE review in Malaysia were now underway. The review visit was expected to take place in summer 2019, with the final reports published in the autumn. A UUK, GuildHE and QAA working group had been established under the chairmanship of Professor Alistair Fitt to consider quality assurance approaches to UK TNE from 2019-20 onwards.
- QAA's 2019 annual conference - The UK Quality Summit: Successful Partnerships - is due to be held at the ACC Liverpool conference centre on 7-8 May 2019.

14. Mr Stephen Criddle asked whether the delay in the publication of the findings from the Augar review of post-18 education and funding in England had caused any difficulties for QAA. The Chief Executive responded that he was undertaking an extensive programme of engagement with the sector and that this was one of the main points of discussion. It was noted that the financial pressures felt by the sector could affect the take-up of QAA services and the proposed membership offer.

Designated Quality Body (DQB) matters and annual report to the OfS (item 7, BD-2019-07)

15. Mr Will Naylor presented a paper on DQB matters including the annual report to the OfS. The annual report, prepared as soon as possible after the end of each annual reporting period, provided information on the performance of the assessment functions for the period of 12 months from 1 April 2018. The report was a requirement of designation as set out in the *Higher Education and Research Act 2017*.
16. The annual report provided an opportunity for QAA to reflect on its performance as the DQB and to present to the OfS important lessons that had been learned both about QAA's own performance and issues arising from the assessment undertaken.
17. As part of the agreed terms, QAA provided a draft of the annual report to the OfS's Quality Assessment Committee (QAC) in February 2019 to allow the OfS to provide feedback to QAA before the final version was submitted. QAC suggested that QAA reflect on the tone and length of the report and how it presented its understanding of risk. Feedback had since been incorporated within the version shared for Board approval.
18. The Board considered that the current draft was not defensive but raised concern that the report did not adequately reflect the context in which QAA had been operating, and the external factors impacting upon delivery of the milestones set out in the table at paragraph 8. It was agreed that further contextual information should be added to clarify why the milestones had been missed, including the impact on the OfS and the sector.
19. Ms Susan Lapworth confirmed that the OfS was satisfied with the version of the annual report as presented and recognised that this first year had focused on developing the methodology and approaches to review rather than review activity. Future reports would focus on activity and be linked to the agreed KPMs. Ms Lapworth confirmed that the report would not be proactively publicised by the OfS but as it was in the public interest, would be disclosable.

20. The Board agreed that the document was an internal report developed as an accountability tool to the OfS and as such would not be proactively published by QAA. QAA's work as the DQB would be publicly reported in the annual report alongside other activities. It was noted that QAA also published an annual report to the Scottish Funding Council on the delivery of its activities in Scotland, copies of which were available at the meeting.
21. Mr Naylor reported that OfS and QAA colleagues had been progressing the development of a suite of KPMs to measure QAA's performance as the DQB. Officers from both organisations had met to discuss the KPMs which led to a revised draft being put to the QAC. At that meeting QAA officers provided further comments on the KPMs and the OfS agreed to reflect those comments in the next draft. The revised draft would be shared with the Audit and Risk Committee (ARC).
22. Ms Lapworth reported on the discussion at the QAC relating to risk and the importance of understanding the approach being taken by the DQB to quantify and mitigate risk. The Chair confirmed that a full RAG rated risk register for DQB activities was being developed.
23. Mr Naylor provided the Board with an update on the Transformation Capability and Change (TCC) workstream on regulatory services which had entered its third phase. This would be discussed further under the closed confidential session of the meeting.
24. The Board:
 - **Approved** the annual report for submission subject to amendments with sign off by the Chair and Chief Executive. If Board members had any further comments it was requested that these be forwarded to the Chief Executive.
 - **Noted** the draft KPMs.

QAA's Membership Model (item 8, BD-2019-08)

25. Mr Ian Kimber introduced the paper on the membership model which provided an update on the progress made since the formal Board meeting in December. Following sector consultation, revision and refinement of the membership model had taken place. The proposed membership model consisted of three components: core; two optional enhancement services exclusively available to members; and paid for events and professional services for which members would receive preferential rates.
26. Mr Ian Kimber confirmed that the offer was a work in progress and would continue to be tested in the sector. Market testing included focus groups, targeted liaison with representative bodies, mission groups and sectoral leaders and a mail out to all current subscribers highlighting membership benefits and seeking feedback.
27. Feedback from stakeholders to date demonstrated broad support for QAA and the membership proposals, however, price and value for money were a key consideration. The proposed banded membership pricing model was shared with the Board. Mr Ian Kimber informed the Board that the pricing model for membership had been designed to cover costs and break even, not deliver a net surplus. For most providers membership would cost no more than their current subscriptions, and for many there was a significant reduction, providing niche providers access. However, it was likely that providers would look at overall fees combined, and with DQB fees added many small providers would be paying more.

28. Delivering the proposed model was likely to cost some £1.8 m, requiring retention of up to 90% of current university and alternative provider subscribers, and 50% of FECs. It was acknowledged that the membership offer was being launched into a crowded and uncertain market. As such, tolerance modelling had been undertaken to establish the minimum retention numbers required to ensure that the model remained viable.
29. Mr Ian Kimber informed the Board that UUK and GuildHE had commissioned a review of the non-statutory roles of the designated quality body and data body with the aim of considering the UK-wide value each body brings in addition to its designated functions. Input would be sought from institutional leaders. The review would report in June 2019 and would be a valuable source of intelligence. Outputs would be considered alongside feedback from market testing. Mr Will Hammonds confirmed the review would help to understand what services would be valued by the sector and acknowledged the time critical nature of this work.
30. During discussions the following points were raised:
- Concern was expressed by academic members of the Board regarding the likely take up of the membership offer given the financial pressures on the UK higher education sector. It was agreed that this would need to be tested through the market testing.
 - It was requested that the membership offer be refined to set out the differences between core and enhancement services more clearly.
 - The importance of transparency in terms of the costs of membership and how they had been arrived at (as with the DQB fees).
 - The importance of understanding what success would look like in a year's time and how the sector would be engaged in the continuous improvement of the offer.
31. Mr Matt Adie reported that the Student Strategic Advisory Committee had discussed the membership offer and provided positive feedback. It had also been suggested that students' unions might wish to access some of the resources within the offer.
32. The Board felt the offer was much improved from previous iterations and appropriate for market testing. Mr Kimber undertook to update the documents based on the feedback received.
33. The Board:
- **Noted and agreed** the membership offer and proposed costing model subject to amendment and agreement by the Chief Executive following market testing.
 - **Agreed** the inclusion of the TNE option in the consultation.

Reporting items

Quarter 2 Monitoring and Performance Report (Item 9, BD-2019-09)

34. Mrs Liz Rosser provided an overview of the Quarter 2 monitoring and performance. The Board noted the progress against the 2018-19 Annual Plan priorities. Mrs Rosser confirmed that following review by the Executive, six of the priorities were identified as being on track (of which three were being closely monitored) and one was recorded as in exception.

35. Mrs Rosser provided the Board with a Quarter 2 finance report detailing the overall results for the six months to 31 January 2019 which showed an operating deficit of £549K compared to a forecast deficit of £591K.
36. The Board:
- **noted** the progress against the 2018-19 Annual Plan priorities
 - **noted** the end of Quarter 2 finance position.

Student Strategic Advisory Committee (SSAC) interim update (item 10, BD-2019-10)

37. Mr Matt Adie provided the Board with a paper detailing the current work of the SSAC and student led projects. The Board was reminded of the role of the SSAC to offer objective advice and guidance to the Board, calling on the expertise, experience and perspective of current students and student representatives from across the breadth of UK higher education. Committee members also supported QAA's work to progress and enhance practice in engaging students with quality processes, through undertaking a number of student-led projects in this area. SSAC membership was diverse in its demographic and representative of a variety of types of providers, enabling pertinent and informed responses.
38. The Chair thanked Mr Adie for his report and encouraged Board members to get involved in or to attend future meetings of the SSAC.

Summary report of Board committee meetings (item 11, BD-2019-11)

39. The Board received and **noted** the summary report of committee meetings held since 12 December 2018.

Any other business

40. On behalf of the Board, Ms Linda Duncan presented the Chair with a certificate of appreciation for his service to QAA and the Board, and thanked him for his outstanding contribution to QAA. Mr Banks thanked Board members for their support; Mr Douglas Blackstock and the Executive team for all of their hard work and dedication in negotiating and navigating the way through change; and gave special thanks to Miss Lavinia Blackett and the Governance Team. Mr Banks confirmed that he would continue to be a strong ambassador for co-regulation and UK higher education in the future.
41. There being no other business, the Chair closed the meeting.