



Minutes of the OfS board meeting, 30 March 2023

Location: Teams

Timings: 1415-1700

- Present members:
- James Wharton (chair)
 - John Blake (Director for Fair Access and Participation)
 - Martin Coleman
 - Elizabeth Fagan
 - Katja Hall
 - Verity Hancock
 - Rachel Houchen
 - Kate Lander
 - Susan Lapworth (Chief Executive)
 - Martyn Oliver
 - Dayo Olukoshi
 - David Palfreyman
 - Michael Spence
 - Caleb Stevens
- Attendees:
- Hannah Sheehan, Department for Education (DfE) representative
 - Anne Spinali, Department for Education (DfE) representative
- Apologies:
- Simon Levine
- Officers:
- Jean Arnold, Director of Quality
 - Louisa Baker, Head of Governance
 - Paul Huffer, Head of Legal
 - Paula McLeod, Corporate Governance Senior Officer (clerk)
 - Conor Ryan, Director of External Relations
 - Nolan Smith, Director of Resources and Finance
 - David Smy, Director of Monitoring and Intervention
 - Mike Spooner, Senior Adviser to the CEO and Chair

Chair's welcome

1. The chair welcomed board members, OfS staff and Hannah Sheehan and Anne Spinali from the DfE. He advised that apologies had been received from Simon Levine. He, along with DfE colleagues, explained the recent senior level changes to the DfE portfolio. As a result, the OfS has moved into Anne Spinali's remit so she will replace Hannah Sheehan as the DfE representative at future board meetings.
2. The chair reported on his recent meetings with the National Union of Students and with the CEO and Chair of the Russell Group. He, along with the chief executive and Martin Coleman, had attended the Universities UK (UUK) Good Regulation Symposium. He had also attended the OfS staff conference in Bristol, noting that Kate Lander had facilitated a session at this event.
3. The board noted its general duties as set out on the agenda and the need to have regard to these and other relevant considerations as it considered papers and made decisions.

Approval of February minutes (paper 2.1)

4. The minutes of the board meeting held on 3 February 2023 were approved.

Chief executive's report (paper 3.1)

5. The chief executive presented her paper which provided an update on work undertaken and issues that have arisen since the date of the last regular board meeting on 3 February 2023.
6. The following points were made:
 - a. Work on quality investigations is progressing. The DfE has now published ministers' decision to remove designation from the Quality Assurance Agency for Higher Education (QAA) from 31 March 2023. The activity needed for the OfS to pick up this work is being delivered.
 - b. The government has published the response to its consultation on the Lifelong Loan Entitlement (LLE) which builds the LLE into the OfS's regulatory system. We expect to develop proposals for an additional registration category in due course.
 - c. The OfS business plan for 2023-24 has been finalised. This reflects progress being made in planning and prioritising organisational activity. **Exempt from publication.**
 - d. Following discussion at the last Risk and Audit Committee meeting, the chief executive confirmed she would be reviewing the OfS's strategic risks to ensure these remain current and are properly integrated with operational risks.
 - e. The OfS has made a submission to the House of Lords Industry and Regulation Committee inquiry into the work of the OfS.
 - f. The proposed drafting changes to the scheme of delegation being presented to the board at Annex A of the paper include clarification of decision making authority to reflect the planned organisational restructuring. Some more substantive changes relate to proposals for the future role for the Quality Assessment Committee set out in paper 4.1.

- g. Following the PCS's national ballot, a second day of industrial action was taken by some OfS staff on Wednesday 15 March 2023. **Exempt from publication.**

7. The board:

- a. Noted the updates contained in the paper.
- b. Agreed the amendments to the OfS scheme of delegation set out in Annex A of the paper with effect from 1 April 2023.
- c. Agreed to extend to 31 May 2023 the temporary delegated authority arrangements for the Director of Quality and Director of Monitoring and Intervention originally agreed at its board meeting of 24 March 2022 to accommodate the absence of a Director of Regulation.

Changes to the role of the Quality Assessment Committee (QAC) (paper 4.1)

8. The Director of Quality introduced her paper setting out proposals for a future role for the QAC in providing advice relating to degree awarding powers (DAPs). She advised that:
 - a. When there is a designated quality body, it is required to provide advice to the OfS regarding DAPs. The QAA is no longer able to provide advice as it has been de-designated and the OfS is therefore required by HERA to create a committee to perform this function.
 - b. The proposal is to revise the remit of the QAC so it can take on this role and review its membership accordingly.

9. The board:

- a. Approved changes to the role of the QAC set out in the paper.
- b. Approved changes to scheme of delegation set out in Annex A of the chief executive's report (paper 3.1) with effect from 1 April 2023.
- c. Noted that following these approvals, the chief executive would be asked to agree changes to the committee rules of procedure in relation to the QAC.

Prevent (paper 5.1)

10. The Director of Monitoring and Intervention introduced his paper summarising the findings of a recent independent review of the Prevent duty and the OfS's role in monitoring providers' compliance with this duty. He advised that:
 - a. Under the Prevent legislation, relevant higher education bodies have a statutory duty to give due regard to the need to prevent people from being drawn into terrorism. The OfS is delegated as the monitoring authority to assess compliance. It does not have a role to intervene or take enforcement action if there is evidence of non-compliance with the duty. The OfS carries out this role in parallel with its functions under HERA.

- b. The government has recently published an independent review of Prevent which includes recommendations in relation to higher education providers. There may be some implications for the OfS.
- c. The review also highlights the interface between Prevent and the Higher Education (Freedom of Speech) Bill. Should the Bill pass, the OfS would have new functions and duties relating to freedom of speech that it would have to deliver alongside any work required in relation to Prevent.

11. The board:

- a. Thanked the director for the update.
- b. Noted the contents of the paper, including the findings of independent review, and government's future plans in this area.

Outcomes of board effectiveness (paper 6.1)

12. In introducing the paper, the chair highlighted the importance of these reviews in ensuring the effective and efficient operation of the board. He encouraged members to take the opportunity to provide feedback in future reviews or to contact him at any point about any matters they wished to discuss.
13. He handed over to the Director of Resources and Finance who introduced the paper setting out the outcomes of the most recent board effectiveness review. He welcomed the board's thoughts on these outcomes and on any actions arising, or on matters for discussion at a future meeting.
14. The following points were made:
- a. The role of the OfS is to protect the interests of students and this should be the driver for the board's work. The current mix of experience in its membership appropriately reflects the educational journey of a student – from school through to employment. Any requirement for additional skills or experience is routinely considered through the board recruitment process.
 - b. The board's role had evolved as the OfS had moved from its set up phase to the more active regulatory role set out in the current strategy. It may be appropriate to revisit the operation of the board in this changed context.
 - c. The board continued to rely on, and recognise, the effectiveness and efficiency of the executive team in delivering the OfS's work.
 - d. More detail could be provided in committee reports, drawing out more fully any significant issues for the board's attention.
 - e. Horizon scanning or strategic discussions could form part of each board meeting to help inform its work.
 - f. The recent refresh of communication and engagement approaches would provide more opportunity for board members to engage with sector stakeholders.

- g. The scheduling and frequency of board meetings would be considered in the planning for next year's schedule.
- h. Consideration would be given to the format of future effectiveness reviews and reflect any trends arising from those carried out previously.

15. The board:

- a. Noted the survey outcome data at Annex A.
- b. Welcomed plans for the chair, chief executive and the chair of the Risk and Audit Committee to discuss the OfS risk register to ensure it aligns with the board's risk appetite. The outcomes would be discussed at a future board meeting.

Finance report (paper 7.1)

- 16. The Director of Resources and Finance introduced his paper updating the board on the financial position of the OfS for the eleven-month period ended 28 February 2023 and forecast expenditure for the full financial year (to 31 March 2023). **Exempt from publication.**
- 17. The OfS has received statutory guidance in relation to the strategic priorities grant for the 2023-24 financial year.
- 18. The board received the report.

Student panel update (paper 8.1)

- 19. The chair of the panel presented his report to the board on its most recent meeting held on 2 March 2023 and its plans to meet again in June. Panel members also attended the recent Parliamentary reception.
- 20. Working with the Director for Fair Access and Participation, he outlined his emerging thinking about refreshing the panel to extend the range of student perspectives available and to maximise the panel's impact on the OfS's work. He advised he was considering the models used by other regulators.
- 21. The board received the report from the student panel and thanked the chair of the panel for sharing his emerging thinking about the development of the panel.

Oral report from the Provider Risk Committee (PRC)

- 22. The chair of the Provider Risk Committee gave an oral report to the board from the committee's 20 March 2023 meeting. He advised that the committee had:
 - a. **Exempt from publication.**
 - b. Made a final decision to impose a monetary penalty of £1,000 on a provider for a failure to submit audited financial statements by the required deadline.
 - c. **Exempt from publication.**

- d. Received an update on the University of Sussex case.

23. The board received the oral report from the Provider Risk Committee.

Report from the Quality Assessment Committee (paper 10.1)

24. In the absence of the chair of the Quality Assessment Committee, the Director of Quality presented the written report to the board on the committee's most recent meeting held on 6 March 2023. She advised that the committee had:

- a. Received an update on progress with the ongoing quality investigations and on the recruitment of expert academic assessors to undertake future quality and standards assessments.
- b. Discussed the proposals (set out in paper 4.1 to the board) for its future role in providing advice relating to degree awarding powers.
- c. Considered the appropriateness of retaining a member of the PRC on the QAC.

25. The board received the report from the Quality Assessment Committee.

Report from the Risk and Audit Committee (paper 11.1)

26. The chair of the Risk and Audit Committee presented her written report to the board on its most recent meeting held on 23 February 2023. She advised that the committee had:

- a. Noted progress with the Data Futures programme. A provider readiness survey has been undertaken and actions are being taken to address the outcomes.
- b. Received a presentation from the chief technology officer on cyber security at the OfS, the outcomes of which provided assurance that this issue is being effectively managed within an environment of constantly changing threats.
- c. Exempt from publication.
- d. Exempt from publication.

27. The board received the report from the Risk and Audit Committee.

Closing remarks

28. The chair thanked members and the executive team for contributing to a number of useful discussions. He reminded members that the next meeting of the board would be held on 25 May 2023. It was agreed that this would be held in-person in London.

29. As she will no longer be the OfS sponsorship lead, the chair thanked Hannah Sheehan for her support to the board over recent years and wished her well with her role in the new DfE structure. He was looking forward to working with Anne Spinali.

30. The chair recorded the thanks of the board to Louisa Baker, who was attending her last meeting, for her contributions over the last few years. He noted that this was also Paula

McLeod's last meeting and thanked her on behalf of the board for her extensive and valued support to members since the establishment of the OfS in 2018.

The meeting closed at 1552.