

Chief executive's report

1. This paper provides an update to the board on work undertaken and issues that have arisen since the date of the last board meeting on 29 January 2018.

Strategy development

2. At its last meeting, the board signed off the broad principles of the OfS strategy 2018-21. Since then considerable work has been undertaken to develop the Regulatory Framework following the closure of the consultation in December 2018. The OfS strategy was flexed to align with the final version of the Regulatory Framework (and vice versa). There is now alignment between the four primary regulatory objectives in the Framework, and the four priorities in the Strategic Plan.
3. The Strategic Plan is now informing the development of the OfS Business Plan for 2018/19 and work on KPIs is underway [paper 9.1]. The Minister's Guidance Letter [papers 10.2-10.5] of 20 February 2018 maps out priorities for the OfS in 2018/19, and will inform the Business Plan.

OfS programme of work

4. Work has been ongoing since 2017 to ensure that OfS is ready to operate as from 1 April 2018. This work by HEFCE and the Department for Education has taken the form of ten work streams and has been overseen by a programme board which has both overseen the delivery of the programme of work, and overseen risk. This programme board has evolved over the months from one entirely owned by DfE, to one which was overseen by me as chief executive on a transitional basis. We are now moving to the permanent arrangement whereby responsibility for the oversight of risk lies with the Risk and Audit Committee chaired by Kate Lander, and responsibility for oversight of programme delivery is transitioning to a Portfolio Management Office (see paragraph 8 below).
5. HEFCE separately commissioned its internal auditors, EY, to assess its readiness for transition to OfS. This exercise was undertaken in November 2017 and reported to the HEFCE board that there was 'overall a sound system of internal control over the plans and governance structure that HEFCE has put in place to transition to the OfS'.
6. OfS has itself commissioned EY to conduct two further internal audits, independently of this exercise. The first is being carried out now, and is assessing the provider registration system that will become operational from April 2018. The second will be a scenario-based exercise that will be undertaken with the DfE in April 2018 to ensure that OfS and DfE have a clear shared understanding as to how decisions will be made in relation to alternative providers as from April onwards. This is because during the transition year 2018/19 responsibility for regulating alternate providers will be shared between DfE and

OfS, and developing a robust and clear shared understanding of how decisions are made and who is responsible for what will be essential.

7. Outlined below for the board's information are the separate work streams that have underpinned the work in relation to 'Day 1 readiness'. Overall all activities are on track to be delivered on or by 1 April 2018. Those not yet completed are marked in italics.
8. At the time of writing this paper, OfS has not yet received confirmation of its administrative budget for financial year 2018-19 from the DfE. This is a significant risk as it is causing delays in planning for the next financial year. However, discussions are underway with colleagues in the DfE to resolve this as soon as possible, and assurances have been given that if the administrative budget cannot be confirmed by the date of the board meeting then a letter of comfort will be produced for the OfS board's assurance. Meantime, this specific activity remains a 'red' risk.

Work stream	1 January 2018 - legal launch	1 April 2018 – formal launch
OfS board	OfS Chair, CEO and DFAP appointed. board appointments made and announced. Student Panel appointed and announced. board meetings scheduled.	OfS board committees established (Risk and Audit Committee, Remuneration and Nomination Committee, Provider Risk Committee, Quality Assessment Committee). <i>Members to be identified.</i>
OfS Governance	Accounting officer letter received by OfS CEO. Approach to Corporate Governance 1 January – 31 March 2018 agreed.	Ministerial Guidance letter received. Framework Document received. Financial Delegation letter received. <i>Agree collaboration agreements (such as with URKI).</i> OfS Strategy agreed. <i>Agree OfS Business plan.</i> Amendments to approach to Corporate Governance.
Organisational Design (OD) and HR	OfS acceptance in USS and Civil Service Pension Scheme schemes.	Interim structure in place. Staff transfer scheme laid. Director of External Relations appointed. Head of Legal appointed. Interim Head of Data, Foresight and Analysis appointed.
Finance and Operations	Agree OfS admin budget for 1 January – 31 March 2018 with DfE.	Asset transfer scheme laid. Closure of HEFCE/OFFA bank accounts and OfS ones opened. Communications with suppliers and grant holders. A new finance and HR system in place. <i>Agree OfS admin budget for 1 April 2018 – 31 March 2019 with DfE.</i>
IT Systems	IT systems in place for CEO, DFAP, Chair and related staff.	<i>OfS email in place for all staff.</i>

	DfE financing for DDaT programme.	<i>IT in place to support Regulatory Framework registration process.</i>
Communications (internal and external)	HEFCE/OFFA staff briefings and internal comms from CEO, DFAP and Directors. Interim website launched. Interim intranet launched.	OfS Brand agreed and launched. <i>OfS full website launched.</i> Social media launched. OfS Launch event 28 February 2018. Ongoing HEFCE/OFFA staff briefings and internal comms.
Grants/funding	Agreement with DfE, BEIS and UKRI over split in funding responsibilities.	Consultation with sector bodies regarding splitting of terms and conditions of teaching and research grant. <i>OfS board agree programme budgets.</i>
Legal (ie secondary legislation)	Necessary secondary legislation laid for legal launch on 1 January 2018.	Necessary secondary legislation laid for full launch on 1 April 2018.
Regulatory Framework	DfE regulatory consultations published with significant input from HEFCE/OFFA colleagues.	Regulatory Framework published 28 February 2018. Communications to providers regarding registration process. Work to deliver registration process, which goes live 3 April 2018.
Facilities Management	Securing accommodation to house Research England.	<i>New signage for Bristol and London offices.</i> <i>Office moves to reflect interim structure.</i> <i>Research England moved to Dominions House.</i>

9. Beyond 1 April 2018, a combination of new activity (such as the implementation of the full Regulatory Framework) and activity that will be transitioning from HEFCE/OFFA (such as TEF, Prevent, teaching funding). In order to ensure that the OfS is prioritising its activities effectively and the OfS senior leadership team has oversight of these and assurance about progress, the OfS is establishing a Portfolio Management Office (PMO) from 1 April 2018. Nolan Smith, the Director for Resources, Finance and Transformation will have oversight of the PMO function and it will report monthly to the OfS directors and chief executive.
10. Significant work is taking place to ensure agreements and memoranda of understanding are in place underpinning the OfS's relationship with external stakeholders. Ministerial expectation for effective future collaboration during 2018-19 is made explicit in the minister's Strategic Guidance Letter to OfS of 20 February, 2018 (paper 10.2).

11. Joint working between the OfS and UKRI (including Research England) will be particularly important to ensure a co-ordinated and strategic approach to the funding and regulation of the higher education system in England. The guidance letter from the Minister specified that he wished to see OfS prioritise collaboration with UKRI on skills, capability and progression, knowledge exchange, the ongoing financial sustainability of HE providers, accountability and assurance, infrastructure funding, building robust evidence and intelligence, and ensuring that the REF, the TEF and KEF are mutually reinforcing. A draft agreement setting out a commitment to the spirit of collaboration as well as expanding on specific areas of collaboration is being finalised by officers in OfS and UKRI and Research England, and that collaboration will also inform the Business Plan.
12. Other work that OfS has taken forward since the date of the last board meeting includes the development and publication of the research on students' perceptions of Value for Money, commissioned by OfS from a consortium of student unions, launched at the OfS conference on 28 February 2018 and published on 13 February 2018. That research will be considered by the Student Panel and will inform further work by OfS pursuant to its statutory duties in relation to value for money.
13. In terms of external engagement, Michael Barber visited and met with students at City London Metropolitan University, as well as speaking at a Q&A at the LSE's launch of the Higher Education Regulation Governance Forum. I addressed postgraduate student representatives at the Student Union Postgraduate Officers' conference in Birmingham, and have met with students and student unions at Birmingham, the Open University, Exeter, De Montfort, Nottingham, the National Film and Television School, Buckingham and York. Chris Millward, Director for Fair Access and Participation, has spoken at a number of external events to set out his vision for access and participation, including at the launch of the 'What Works Unit' at Kings College London, the National Education Opportunities Network (NEON) annual conference, and a speech to an audience of MPs and Peers at the All-Party Parliamentary Universities Group as part of 'access and participation week' (press release [here](#)).
14. I gave evidence to the Public Accounts Committee hearing on Higher Education as a Market on 12 March 2018, and Michael Barber gave evidence to the Joint Committee on Human Rights on Freedom of Speech in Universities in January.

Organisational design and staffing

15. The 'phase one' interim staffing structure is now in place and all HEFCE and OFFA staff know what their role will be from April, as well as who their line manager will be. 'Phase one' relates to the interim arrangements from April to September 2018. Work will begin in April on the permanent OfS organisational structure with a view to it being established in the autumn.

16. The first OfS all-staff conference was held in Bristol on 14 March 2018, which provided an excellent opportunity to work with staff ahead of the full launch. The day was used the day to share Michael's vision for the OfS, to begin a discussion and set expectations for the organisational values, behaviours and culture, to set the tone of students being at the heart of the OfS' work (assisted by presentations from three members of the Student Panel), and to start a programme of training and development focusing on enabling staff to understand their role as regulators, with a session led by Professor Martin Lodge, Professor of Political Science and Public Policy at LSE.
17. In terms of new senior staffing appointments, Conor Ryan (currently Director of Research and Communications at The Sutton Trust) has been appointed Director for External Relations and Communications, starting at the end of May. Paul Huffer has been appointed as Head of Legal Services (and we are grateful to Martin Coleman for assisting with the recruitment exercise). We decided not to appoint to the role of Director of Data, Foresight and Analysis for the time being. Instead, Richard Puttock, currently Head of Data and Management Information in the Analytical Services Directorate at HEFCE, will act up as Head of Data, Foresight and Analysis and join the executive team, taking over from Mario Ferelli. We will re-advertise the Director role in 9-12 months' time.

Communications

18. We have continued to receive significant media interest and achieve good coverage across broadcast and print media and including mainstream and specialist outlets.
19. Some highlights since the last board meeting:
 - In the week of the OfS launch conference, Michael gave an extended interview to the [Today Programme](#) about OfS and VC pay ahead of the Channel 4 dispatches programme (starts at 2:34)
 - On the same day, my interview with Nicola Woolcock in was the lead story on the front page of [The Times](#). It is also the subject of an editorial in [The Times](#)
 - The week following the launch conference focussed heavily on access and participation. Chris Millward set out his vision for access and participation as Director of Access & Participation in an interview with the [Times Higher Education](#) and in a blog on [WonkHE](#)
 - Michael appeared on an ITV evening [news report](#) on the Revolt Sexual Assault study
 - There was an interview with Michael in [The Economist](#) on the task ahead for the OfS
20. More recently, we achieved good coverage of OfS-commissioned report on student perceptions of value for money (press release [here](#), full report available [here](#)):
 - To accompany its launch, I was interviewed on [The Today Programme](#) (starts at 2:46:47)

- The report was also covered by [The Guardian](#) (13 March); [The Telegraph](#) (13 March); [BBC News](#) (14 March); and [Times Higher Education](#) (15 March)
21. The Regulatory Framework was launched at the conference on 28 February 2018 at the QEII Centre in Westminster. It was well-attended and of an expected 454 delegates, 373 made it on the day in spite of adverse weather and severe snow warnings.
 22. Many of the sessions featured a strong student voice: Shakira Martin, NUS President, was the first external speaker to take to the stage, four members of the OfS student panel took part as speakers, and one of the highlights was an interactive session facilitated by Megan Dunn (OfS student panel) with student union leaders Jim Dickinson (UEA) and Ed Marsh (Middlesex) on student perceptions of value for money. We are also particularly grateful to board members Martin Coleman, Katja Hall and Ruth Carlson for contributing to the conference.
 23. Tweets about the conference were overwhelmingly positive, with a number of people praising the speakers, including this tweet by Jack Grove at Times Higher Education:

‘Watching Ruth Carlson speak about the value of higher education you can 100% see why she was picked as the @officestudents student board member #OfSLaunchConf’
 24. Recordings of all of the conference sessions will be available to view online from next week and we will share the link as soon as it is available.
 25. Since the last board meeting, we have been working with a small London-based agency Webb & Webb, to further develop the original brand concept delivered by the Government Communications Service agency Design 102. This has included some small changes to the OfS logo, and an updated and more vibrant colour palette. We have also commissioned a suite of photographs to be used across OfS communications. The updated brand was launched at the OfS conference, and the website and twitter page now feature new logo and images. The brand guidelines and templates are currently being finalised ready for 1 April 2018.
 26. We are aware that a number of OfS board members have received requests for interviews or comments since the date of the last board meeting. If you are approached by journalists in your role as OfS board member, we would request that you get in touch with Ceri Lawrence or Sean Beynon (ofscommjobshare@offa.org.uk) in the first instance before agreeing to anything. This is to ensure that we are managing requests in a strategic way and not duplicating – it is not uncommon for journalists to approach more than one person and it is important that we are joined up. In some cases we may also have offered an exclusive to a particular media outlet, and we need to ensure that we honour these agreements in order to maximise our coverage.
 27. Similarly, please also get in touch with Sean or Ceri before agreeing to speak at external events in an OfS capacity. Again, it is not uncommon for event organisers to approach

more than one person from the OfS and with all of these requests we need to consider who is best placed to represent the organisation on public platforms and what messages are most strategic to communicate at different times.

Corporate governance: the Student Panel

28. Many board members who were able to join the OfS launch conference and reception will have had an opportunity to hear from and meet members of OfS' Student Panel. The group have already proven to be an excellent source of advice and, indeed, inspiration through their involvement in the launch conference, all-staff conference and OfS' value for money research.
29. The panel's introductory meeting took place on 26 January 2018 where they agreed their terms of reference (annex A) and met with Sam Gyimah, the Universities Minister. Minutes of the meeting are included in annex B At the next meeting on 18 April 2018 the panel will discuss and advise on how to take forward the value for money research, the student engagement strategy, and OfS' work on information, advice and guidance for students.
30. Looking ahead, it may be that other panel members will be invited to join Ruth Carlson to report back to the board on certain areas and we will continue to engage with the panel to develop the relationship between the panel and board, whilst bearing in mind their limited time and overall 6-8 day commitment to the OfS.

Forward look

31. The next OfS board meeting will take place on 29 May 2018, and is likely to cover items relating to information, advice and guidance, student engagement, student welfare, prevent, managing provider exit, student contracts and further work on developing key performance indicators.

Annex A

Office for Students' Student Panel – Terms of Reference: Jan – Dec 2018

This document will be reviewed after 31 December 2018.

Purpose

1. Meaningful student engagement is a top priority for the OfS and members of its panel. The student panel, established by the OfS, will ensure that students' views inform the OfS's decision-making processes. The student panel will therefore play a critical role in informing the OfS's strategy and activity, and in that way will help the OfS shape the higher education agenda for years to come.

Membership

2. The panel will be selected through a fair and open recruitment process. The membership will include a broad and diverse range of future, current and former higher education students from different backgrounds, institutions and modes of study.
3. Panel members will be appointed for one year, with the possibility of re-appointment for a further year.
4. The current president of the NUS (Shakira Martin) is invited to join the panel, for the same term as other panellists.
5. For 2018, the panel will be chaired by Megan Dunn.

Responsibilities of the panel

6. The panel is an important source of advice to the OfS board. The relationship to the OfS board is both proactive and responsive, with the panel able to decide its own priorities but also react to the priorities and requests of the OfS board. In order to fulfil its role, the panel's activity will include, but not be limited to, engagement in the following areas:

Insight and horizon scanning:

- 6.1 To help the OfS to understand fully, and take account of, the interests of students (short, medium, and long term) in its policy development and decisions.
- 6.2 To take a strategic view of the sector, in order to provide advice and perspectives which look beyond one's own experience of higher education.

Specific duties:

- 6.3 To receive reports of the OfS board's meetings from the student representative on the board
- 6.4 To respond to relevant consultations as appropriate
- 6.5 To carry out research, as agreed with the OfS, and gather other intelligence and evidence to better understand student's access to, experience of, and progression from higher education
- 6.6 To advise the OfS in developing its student engagement strategy
- 6.7 To advocate, on behalf of students and the OfS, in the student interest
- 6.8 To provide timely reports to the OfS board, following panel meetings

Duties of the OfS

7. The OfS commits to:

- 7.1 Providing appropriate support and resource to the panel, including through training provision, to facilitate meaningful discussion and informed decision making;
- 7.2 Ensuring the panel has access to appropriate resource in carrying out its duties (e.g. in commissioning research);
- 7.3 Demonstrating to the panel how it is responding to its advice and recommendations;
- 7.4 Providing advice and guidance to the panel, where appropriate. For example, in communications and engagement with the media, panellists will have access to professional support.

Behaviours and values

8. The OfS and all panel members commit to:

- 8.1 Professional and respectful conduct at all times;
- 8.2 Robust and open discussion that results in taking shared responsibility for decisions reached;
- 8.3 The declaration of any conflicts of interest whenever and wherever they arise
- 8.4 Discretion and judiciousness in all public comment.

Meetings

9. The panel meetings will be conducted as follows:

- 9.1 The panel will meet at least four times a year
- 9.2 The panel will be chaired by the permanent student representative on the OfS board or designated alternative
- 9.3 The Chair will be responsible for recording the decisions of panel meetings and activity
- 9.4 The student representative on the OfS board will report decisions and activity of the panel to the OfS board
- 9.5 The panel requires the presence of 6 members, including the chair, to be quorate
- 9.6 Decisions of the panel will normally be made by consensus, but in exceptional circumstances a vote may be taken. The Chair of the panel has the casting vote in the event of a tied ballot

- 9.7 Panel members would normally be present in person at meetings but may join meetings virtually by exception
- 9.8 Agendas will be approved by the Chair with an invitation to any panellist to submit matters for inclusion on the agenda
- 9.9 A formal minute will be taken of all panel meetings and will include reserved business, as appropriate
- 9.10 The minutes of each panel meeting will be checked by the Chair, before being shared with the panel and then passed to the student representative on the OfS board. Panel minutes will go to the OfS board for noting and will be published as part of the OfS board papers
- 9.11 The Chair has the authority to call an extraordinary meeting of the panel should circumstances require. Support of three panel members in addition to the Chair is required for the extraordinary meeting to be called
- 9.12 The panel and the OfS shall review the panel's terms of reference annually
- 9.13 The Chief executive of the OfS may attend all panel meetings as an observer

Annex B – Student Panel Minutes

OfS Student Panel Welcome Meeting - Minutes

Date: 24th January 2017

Time: 16.00 – 18.00

Location: Finlaison House, Furnival Street

Attendees:
Megan Dunn (Chair), Ben Hunt, Chad Allen, Lizzie Pace, Xenia Levantis, Zahra Choudhry, Ruth Carlson, Shakira Martin, Shades Chaudhury, Sinead Brown, Alice Richardson, Stuart Cannell, Luke Renwick, Nicola Dandridge, Amanda Wilcox, Sarah Bruce, Edward Davison

Item 1: Welcome from the chair

1. The chair thanked panel members for joining the meeting.
2. The chair emphasised that this is a welcome meeting, designed to create an opportunity for the panel to meet and start to work out how it would like to operate and what it will do. The chair ran through the proposed agenda and, in particular, flagged that there would be time for feedback and for thinking about support and training needs.
3. There was an icebreaker activity which culminated in introductions to the group.

Item 2: Introduction to the OfS (CEO)

4. The CEO welcomed the panel warmly, noting that it has been a priority since her appointment to involve students in the regulatory responsibilities of the OfS. The CEO emphasised the importance of the panel in shaping a new and distinctive organisation.
5. The chief executive gave a summary of the OfS's role as a regulator, setting out its four main objectives:
 - Participation
 - Experience
 - Outcomes
 - Value for Money
6. The need to think about the interests of students for the short, medium and long-term was emphasised and linked to the decision to appoint two future higher education students.
7. The chief executive added the OfS's duty to consider the interests of taxpayers and employers, as well as students.
8. Finally, the chief executive looked forward to moving ahead in a constructive way, following a turbulent start to the year, offering thanks to panel members for their commitment and enthusiasm.

Item 3: Terms of Reference (Chair)

9. The chair introduced the draft terms of reference, emphasising the importance of the panel's views in shaping the final document. The following points were raised and agreed to:
- the way in which the board relates to the panel to be set out in more detail;
 - the process for minuting and signing off the minutes to be clarified further and recorded in the terms of reference;
 - guidance on quoracy limits and voting procedures to be added (though it was agreed that the aim should be for achieving consensus before going to a vote);
 - guidance on extraordinary meetings to be considered;
 - guidance on attending meetings virtually to be added;
 - including in the duties of the OfS the need to provide support for handling media inquiries.
10. The following questions were raised:
- the role of the student representative on the board, in relation to the panel;
 - the question of whether the panel chair can be a member of the board.

In relation to the first question, it was agreed that the student representative on the board would have responsibility for reporting on the panel's activity and sharing the views of the panel with the board. On the second question, it was clarified that the OfS board membership was a matter for the Secretary of State for Education, not the panel or the OfS.

11. Further guidance was requested in the following areas:
- the meaning of 'judiciousness and discretion' and how this would play out in practical terms;
 - how to define and understand conflicts of interests; where these might arise and how to manage them.

The chair committed to considering how to provide this guidance for the next meeting.

12. The chair committed to sharing an updated terms of reference with the panel, to be agreed by email.
13. Separately, it was agreed that communication to the panel would be via email and that the chair would share all panel email addresses, unless she received objections to this from individuals outside of the meeting.

Item 4: OfS Conference (Chair)

14. The panel confirmed that they would be available to join the conference, with the only exception being the arrangements for the youngest panel members.
15. The NUS president invited the panel to feed in their views on the content of her keynote speech.
16. The OfS agreed to share further details with the panel members as the conference agenda takes shape.

Item 5: Student panel research (Chair)

17. It was confirmed that the OfS has commissioned a piece of research on student perceptions of value for money. Further detail is being shared with the chair, who will be leading a discussion on the research findings at the OfS conference.
18. The panel asked about the resource that would be available for this research. This was something that could be considered on a case-by-case basis, but the panel were

reassured that resource would be set aside for this purpose and that if the panel thought of an area of high priority then the OfS would make sure it could be looked at.

19. The panel expressed particular interest in pursuing research pertaining to the needs and requirements of graduates of the future, as well as in research that could be done on information, advice and guidance. On the second of these, there was a particular interest in how improved information, advice and guidance can be linked to greater equity and social mobility.

The Universities Minister, Sam Gyimah, entered the meeting at 5.45 to introduce himself to the panel and welcome their important roles. There was a discussion between panellists and the minister on a wide range of topics, including student welfare, value for money and teaching quality.

Item 6: Letters of appointment (Chair)

20. It was confirmed that letters of appointment, further details on pay and travel would be circulated outside of the meeting. The letters of appointment would be updated to include the new terms of reference.

Item 7: Feedback (Chair)

21. The chair facilitated feedback from the panel, without any OfS staff members present.

Minutes signed by:

Megan Dunn (chair):