



Chief Executive's Report

Issue

1. To provide an update on work undertaken and issues that have arisen since the date of the last board meeting on 28 January 2019.

Recommendations

2. The board is invited to:
 - a. Note the updates contained in the paper.
 - b. Note the report on delegated decision making at Annex A.
 - c. Approve the revised terms of reference for the Remuneration and Nominations Committee at Annex B.

Further information

3. Available from Nicola Dandridge (nicola.dandridge@officeforstudents.org.uk).

Executive summary

4. The last two months have seen the registration process nearing its conclusion, with attention now switching to monitoring and intervention on the back of the registration exercise. Notwithstanding the sometimes exaggerated accounts of financial instability seen in some quarters of the sector and the media, the registration process has revealed a broadly viable and sustainable sector, defined by reference to the three and five year time horizons of the regulatory framework, and prior to any changes in the funding regime. Considerable variation does however exist between providers, and as a consequence some providers have seen requirements for enhanced monitoring in relation to their financial forecasts imposed as part of the registration process, and the OfS will be paying close attention to these. Equally, the registration process has revealed issues in relation to non-continuation and student outcomes, as well as access and participation in terms of degree outcomes and progression into employment and further study. Further details are set out in this paper. A more detailed review of the outcomes and operation of the registration process is currently underway, the intention being to publish an analysis of aggregated data drawn from the registration process later this year.
5. In relation to the OfS's access and participation strand of work, new guidance was published on 28 February 2019 on the back of extensive consultation, with the Evidence & Impact Exchange launched at the same time in order to develop and provide support for sector-wide improvement in evidence and evaluation. Details of both these developments are set out below.
6. Invitations to bid for the two sector-level challenge competitions (mental health, and local graduates) are now closed, and assessments are being made from a very strong field of applications. Further details are set out in board paper 11.1 'Funding overview and budgets'. Other regulatory work, including the OfS's oversight of the Prevent duty in the higher education sector, is described in the paragraphs below.
7. Internally, staff came together at a very successful annual staff conference in February. Recruitment for the vacant staff posts is proceeding apace, and the process for developing the OfS's Business Plan for 2019/20, involving considerable staff engagement, is now largely complete and the draft Plan is included in the board papers at paper 4.1. At the same time, OfS values, formulated by staff over a number of months, have been developed and published, and a programme of embedding them in the OfS's work will be taken forward over the course of the next year.
8. This chief executive's report describes these developments in more detail, categorised under each heading of the OfS's strategic priorities.

Strategic objective – participation

New Access and Participation Guidance

9. On 28 February 2019, guidance on access and participation plans from 2020-21 and updated guidance on effective practice in relation to access and participation were published. This guidance updates OfS regulatory notices 1 and 6, relating to s.29 and s.35 of HERA, and represents the first stage of implementing the reforms to access and

participation regulation agreed by the board in December 2018. As a result of this guidance, all higher education providers intending to charge the higher fee to UK/EU undergraduate students will need to secure approval of a new five-year access and participation plan in order to continue to meet condition A1 of the regulatory framework.

10. Between March and May 2019, briefing events will be organized for providers, together with webinars and workshops, addressing specific issues such as using data to understand performance and set targets, developing and implementing evidence-based interventions, and evaluating activity and investment. We are also conducting targeted engagement with those providers identified as requiring enhanced monitoring or formal communication in relation to condition A1 as a result of their approved 2019-20 access and participation plans. Those providers with October admissions deadlines will be expected to submit their new plans in late May, with decisions being made by the OfS in late August. Other providers with later deadlines will follow over the course of 2019.

Launch of the Evidence and Impact Exchange

11. An evaluation self-assessment tool, with support from researchers at the University of Exeter, has been developed in order to support providers to improve their evaluation of access and participation activity and investment. The tool was launched on 28 February 2019 alongside the announcement of the establishment of the Evidence and Impact Exchange, to be delivered by a consortia led by Kings College London with Nottingham Trent University and the Behavioural Insights Unit. The Exchange will commission, share and support the take-up of evidence on 'what works' to improve access and participation in higher education in different settings and for different groups of students. The consortia will initially be hosted by the lead university, but its intention is to become an independent charity by the end of its first year of operation. Approval has already been granted for it to become a member of the 'what works' network coordinated by the Cabinet Office.
12. The new access and participation guidance, and the launch of the Exchange, were covered by BBC News, The Telegraph and Financial Times. Elsewhere, a story about access and participation targets made The Telegraph's front page.
13. Shortly before the last OfS board meeting, the first of OfS's 'Insight briefs' on unconditional offers was published, alongside a detailed report on their impact. The publication has continued to generate comment and correspondence, including from students. A student-penned opinion piece in The National Student was especially critical of conditional unconditional offers. A number of universities have announced changes to their admissions policies following the publication of the report, demonstrating the value of transparency as a regulatory tool.
14. A second 'Insight brief' was published earlier this month, on Degree Apprenticeships. The brief, which generated media coverage in The Independent, the Times and the sector press, highlighted the OfS's support for the contribution of Degree Apprenticeships to local and regional skills and their potential impact on social mobility.

Strategic objective – experience

Prevent

15. The May 2018 board meeting considered a move to a more risk-based and strengthened approach to monitoring providers' implementation of the Prevent duty. The new risk-based monitoring approach was published in September 2018: 'Prevent duty: Framework for monitoring in higher education in England 2018-19 onwards' (OfS 2018.35). This publication sets out the ongoing monitoring requirements on 'relevant higher education bodies' (RHEBs)¹. The core monitoring process now consists of an accountability and data return (ADR), which replaces the annual reporting exercise, and a programme of Prevent Review Meetings (PRMs).
16. The ADR comprises an accountability statement and declaration from the governing body or proprietor of the organisation, and provider data covering the core areas of implementation: staff training, welfare concerns, and external speakers and events. 310 RHEBs were required to submit the first cycle of ADR submissions in December 2018 covering activity in 2017-18. All but one provider submitted the required information. A non-compliance escalation process has been initiated with that provider to require provision of information.
17. As part of the assessment of the 309 submitted ADRs, 86 providers have been asked to clarify the data provided. Around two thirds of RHEBs provided broader student welfare data to the OfS, with those that did not providing reasoned explanations primarily centred on their operational context. All providers submitted information about staff training. A minority of providers (17) had rejected external speakers and events at the point of submission. Unless a reasoned explanation had been offered, further information was sought in order to ensure that rejection of the speakers represented a proportionate and reasonable response, taking account of duties in relation to freedom of speech and academic freedom. A more detailed analysis of the data will be provided in the summer 2019 board paper.
18. Some providers raised concerns about the use of welfare data as a proxy measure for evidence of active implementation of Prevent-related policies. Academic year 2018-19 is being treated as a transition year, and this period will be used to test and evaluate the effectiveness of this new approach to monitoring through consultation with the sector and representative bodies, and to ensure that it provides the necessary level of assurance to government. Further, an evaluation of the ADR process is currently being undertaken with a representative sample of providers and sector stakeholders to inform a revised approach and clarification of requirements for the forthcoming year. This will be followed in Autumn 2019 by a broader evaluation and analysis report covering the first year of the risk-based monitoring approach.

¹ Since September 2015, all 'relevant higher education bodies' (RHEBs) have been subject under the Counter-Terrorism and Security Act 2015 (CTSA) Section 26(1) to a statutory duty to have 'due regard to the need to prevent people from being drawn into terrorism' (referred to as the Prevent duty). RHEBs are defined as

19. Following sector consultation and a pilot PRM programme in 2018, the accountability returns, alongside other sources of evidence, are now being used to identify higher-risk providers, and to select the first random sample of other providers that will be subject to PRMs. The full programme of PRMs will be rolled out from April 2019 onwards as the primary way of gaining assurance of each provider’s implementation of the duty beyond their ADR. Alongside this, a guidance and FAQs document has been published, together with a series of provider ‘surgery’ events and a webinar.

Update on registration

20. Table 1 below sets out the current position in relation to registration decisions. The Provider Risk Committee is meeting monthly to make registration decisions and during March and April representations submitted by those providers issued with ‘minded to refuse registration’ letters will be considered.

Table 1: Registration decisions at 11 March 2019

| Registration status | Number |
|--|---------------|
| Number of providers registered and published on the register | 317 |
| Number to be registered with a proposal for a specific condition not yet published on the register | 6 |
| Number of applications for which the OfS is minded to refuse registration | 20 |
| Assessment complete and awaiting decision | 21 |
| Application under assessment | 77 |
| Application incomplete | 20 |
| Assessment closed (due to merger) | 4 |
| Total | 465 |

21. In relation to the 20 applications where the PRC has decided that ‘minded to refuse’ registration letters should be sent, the OfS has developed a detailed action plan as to how it would oversee the consequences of a decision not to register, with a particular focus on protecting the interests of students affected by that decision.

22. Following the previous board discussion in January 2019, our view is that we should name those providers whose applications have not been successful in the interests of transparency.

Update on monitoring and intervention

23. The OfS’s new monitoring arrangements will be fully in place by 1 August 2019. However, from the date on which a provider is first registered it has an obligation to meet a number of new regulatory requirements. For many providers, the OfS has imposed requirements as part of the registration decision to mitigate areas of increased risk: these will take the form

of specific conditions, enhanced monitoring requirements or a formal communication. Table 2 sets out the categories of responses expected from providers on these issues before 31 July 2019. Each of these submissions will be assessed and a new risk assessment carried out for that condition for a provider. This may result in the removal, variation or addition of regulatory requirements.

Table 2: Actions required of providers with deadlines in the current academic year – numbers at 11 March 2019

| Condition of registration | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Total |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|------------|
| A1 | 0 | 0 | 39 | 0 | 0 | 30 | 0 | 0 | 69 |
| B1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| B2 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 2 |
| B3 | 0 | 21 | 14 | 17 | 11 | 2 | 0 | 0 | 65 |
| B4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| C3 | 1 | 2 | 3 | 0 | 1 | 1 | 1 | 2 | 11 |
| D1 | 1 | 3 | 0 | 2 | 3 | 0 | 1 | 1 | 11 |
| E1 | 2 | 6 | 3 | 10 | 5 | 7 | 1 | 3 | 37 |
| E2 | 3 | 3 | 0 | 5 | 1 | 1 | 0 | 2 | 15 |
| F3 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total | 10 | 35 | 61 | 34 | 21 | 41 | 3 | 9 | 214 |

24. Each registered provider is also required to report specified reportable events to the OfS. Table 3 sets out those received up to 8 March 2019. Again, each of these reports will be assessed and a new risk assessment carried out for a provider. This may result in additional regulatory action and, in some cases, the issues may be significant. For example, the board will have seen recent press comment that the OfS was conducting an investigation into issues at De Montfort University. This investigation was prompted by a reportable event submitted by the provider. An oral update on these issues will be provided to the board at the meeting on 26 March 2019.

Table 3: Reportable events submitted to the OfS at 8 March 2019

| Category of reportable event | Number |
|----------------------------------|--------|
| Change of accountable officer | 32 |
| Amendment to governing documents | 7 |

| Category of reportable event | Number |
|--|---------------|
| Campus/department/subject closure | 12 |
| Change of chair of governing body | 39 |
| Change of provider's circumstances | 5 |
| Change of ownership or control | 6 |
| Change relevant to provider's financial viability and sustainability | 12 |
| Change to members of the governing body | 37 |
| Legal or court action | 6 |
| Merger | 7 |
| Opening new campus | 5 |
| Other | 5 |
| Change to provider's partnership arrangement | 49 |
| Quality | 1 |
| Change to information held on the OfS's Register | 11 |
| Regulatory investigation or sanction by another regulator | 6 |
| Change to provider's student protection plan | 2 |
| Suspected or actual fraud or financial irregularity | 15 |
| TOTAL | 257 |

Mental health

25. Mental health continues to be raised as an urgent priority by students. As described in more detail in 'Budgets overview and Funding' paper 11.1, the Challenge Fund competition to achieve improvements in student mental health has led to 63 expressions of interest involving over 200 providers and partners, leading to 48 final bids. A decisions on the bids will be made by June, with work commencing over the summer.
26. I was interviewed by a group of students about mental health provision on Radio 5 live last month, and meetings with student unions continue to raise mental health as a concern.

Development of the TEF

27. The Year Four TEF exercise is progressing as planned, with assessments well underway. Results are due to be published in early June. At the same time, the awards for providers that already have Year Two or Year Three awards will be extended. Any provider in England that is not registered with OfS by the end of May will not have a TEF award.
28. The subject-level pilot is also progressing as planned although has encountered some operational challenges. As a consequence, some of the submission deadlines for participating providers have been extended. To date most of the submissions have been received; assessments are underway and are due to be competed in June. Feedback is now being gathered initially from providers and students, and then from the panels. As with the first pilot last year, participants and panels are engaging positively and constructively to test issues and develop solutions to known challenges in moving to a subject-level exercise. These include, for example, the limitations of data at subject level, subject categorisation, and general complexity. Timescales are proving to be challenging for all

involved. Summary findings from the pilot will be reported to the July meeting of the OfS board.

29. The independent review of the TEF by Dame Shirley Pearce is underway. The review is focusing on the purpose of TEF, the evidence used and process of assessment, the nature of the outcomes, and the overall costs and benefits. The review is being run independently of both DfE and OfS, although staff from DfE are supporting its administration. The review is currently in its evidence gathering phase. A 'call for views' closed on 1 March 2019 and received a large number of responses, to be analysed by an independent contractor. A number of listening sessions have been held with a range of stakeholders, including students. ONS has been commissioned to review the statistical elements, and research with prospective students has been commissioned. An advisory board will consider the range of evidence and advise Dame Shirley as she forms conclusions over the summer.
30. The review of the TEF continues to generate media comment. Calls to re-think subject-level TEF have been covered by Times Higher Education.

Strategic objective – outcomes

31. To support the OfS' strategic focus on graduate outcomes, the challenge fund initiative on enhancing the employment opportunities of students and graduates who choose to live, study and work locally is being taken forward. Details are described more fully in paper 11.1 – 'Funding Overview and Budgets'. 78 bids were received for this fund, involving partnerships of providers, employers, local authorities and other stakeholders. The plan is to fund 16 of these bids, subject to further discussions with some of the providers to ensure that as many local students and graduates are supported, particularly those living and working in the most deprived areas of the country. The intention is that funded projects will start work in April. A separate strand of work is also being scoped to align enhanced employability support and careers advice with current and future employer needs.

HESA Graduate Outcomes

32. HESA Graduate Outcomes is a new survey of students after they complete their course, replacing the Destinations of Leavers from Higher Education (DLHE) survey which has been run for many years. The main differences between the two surveys are the timing (15 months after leaving compared to 6) and that the new survey is centrally administered by HESA whereas the previous survey was administered by individual providers. In designing the new survey it had been anticipated that response rates would be lower owing to the timing of the survey and a number of design features intended to improve reliability and comparability. The DLHE survey achieved an average response rate of around 75 per cent for full time UK domiciled leavers. Given the changes in the survey, a target of 60 per cent had been set. HESA are nearing the end of the fieldwork for the first cohort of qualifiers (Aug-Dec 2017 leavers). The response rates are significantly lower than we had hoped for: 47 per cent for full time UK domiciled qualifiers, and significantly lower for EU and overseas students.
33. The Graduate Outcomes survey, like the DLHE before it, will be used in a number of OfS processes including ongoing monitoring of quality, TEF, and information and advice and guidance. Lower response rates will have an impact on the utility of the data and the

magnitude of the impact will depend on the extent to which the data are biased. While the OfS will be able to make early assessments of bias as soon as it has data, some of the work will need to wait until records of study and employment are obtained from LEO. Bias aside, small providers, and small subjects within larger providers, are likely to be hardest hit as validity and the ability to correct for response bias is problematic when the underlying numbers are small. A verbal update will be provided to the board on the action that the OfS intends to take in relation to these issues.

Strategic objective – value for money

OfS value for money strategy

34. The OfS strategy on value for money has been developed in outline form but still requires wider internal consultation. Further development of the strategy has been paused given that the forthcoming Augar review and the government's response may have impact. Further, the strategy may need an approach to value for money that considers inputs, in addition to the existing OfS goal of improving outcomes through informed student choice.

Senior staff remuneration

35. On 12 February 2019, the first annual review of senior pay was published. Although largely drawing on salary data that pre-dated the OfS's existence, the report revealed noticeable evidence of pay restraint, with many vice chancellors and heads of institutions declining to accept pay increases, and governing bodies awarding lower salaries to newly appointed heads of institutions. Again, this is an example of increased transparency being used as a regulatory tool and helping to bring about change. However, in some cases the justification for remuneration packages was thin and raised questions about the processes adopted for setting the level of salary. The OfS will be writing to the chairs of governing bodies of those providers to ask for explanation. The OfS also intends to publish further explanation of its expectations, and may decide to publish its concerns regarding individual head of provider remuneration.
36. The report attracted widespread media coverage, with articles in The Guardian, Times, Telegraph, Daily Mail, Financial Times, Independent and Metro. The Financial Times cited the report in a piece which said universities are increasingly exercising pay restraint in response to the publicity.
37. The OfS accounts direction sets out what providers must disclose in their audited financial statements, over and above what they are required to include for statutory reporting purposes (under relevant company and charity law and accounting rules). General ongoing condition of registration E3 (part ii) requires providers to comply with the accounts direction and with their ongoing conditions of registration. The current accounts direction requires disclosures about the number of staff paid over £100,000, and details regarding the remuneration of the head of provider and compensation for loss of office.
38. The OfS is currently writing the next accounts direction. Previously, we had signalled that we would 'address issues of senior staff pay beyond that of the head of the provider in 2019'. It is now proposed that we do not do this in the next accounts direction, to allow more time to determine the impact of the current disclosures on the remuneration of the head of the provider. This will enable a decision to be taken on the proportionate balance

between the burden of additional disclosures, and transparency about wider remuneration at providers (relative to our previously expected increase in disclosure requirements).

39. The intention is to publish the next accounts direction by the end of June 2019 to allow providers time to engage with it before the start of the financial year for which it comes into effect (accounting periods beginning on or after 1 August 2019).

Strategic objective – efficient and effective regulator

External engagement

40. Both Sir Michael Barber and I continue to ensure regular visits to external stakeholders. Since the date of the last board meeting, Michael has visited the University of Essex, the Royal College of Music, Trinity Laban, UCL Academy, Dyson Institute, and Imperial College. He also attended the UKRI board meeting on 26 February 2019. I have visited RADA, and contributed a key note address to the Association of Colleges annual higher education conference.

OfS administrative costs

41. On 12 March 2019, secondary legislation to set the fee levels for the OfS's administrative costs were laid before parliament. The costs are higher than had previously been suggested, though they are in line with the principles of the government's prior consultation. In response, the OfS will be publishing an annual value for money statement that illustrates its income and expenditure, demonstrating to the sector how the resources are being deployed. The value for money statement will also make explicit which administrative costs will continue to be paid by the Department (such as for TEF development or Prevent), and which fall to be met by providers. Work will also continue in 2019/20 to look to reduce administrative costs from the OfS's operations. Further details are set out in Annex E of board paper 11.1, 'Funding Overview and Budgets'.

OfS staffing update

42. At the end of February the OfS workforce stood at 310 staff / 282 FTE, significantly lower than the business as usual staff cohort, reflecting the impact of the staff reorganisation and the agreement with the recognised trade union that external recruitment would not be undertaken whilst the reorganisation was underway. Since 1 January 2019, the agreed recruitment programme has started, and 41 external appointments made, with 57 vacancies currently live. This recruitment exercise will bring into the OfS the skills and experience that the new organisation requires. Diversifying the OfS workforce is a priority in recruitment. Of the 41 external candidates appointed this year 17 per cent are from black, Asian and minority ethnic backgrounds.
43. In February, two career events were held, attracting 150 attendees. These individuals will be tracked through future recruitment and selection.
44. On 6 February 2019, an all staff conference was held to launch the OfS values and to give staff the opportunity to learn more about what is going on across the organisation. Board members Martha Longdon and Professor Steve West joined the conference, together with

several members of the OfS student panel. Feedback from staff was positive, with 83 per cent of staff reporting a positive or extremely positive experience of the day.

Business planning

45. The 2018/19 business plan continues to be monitored on a quarterly basis. The third quarterly review focused on the continued resource requirements of initial registration; staff deployment; managing dependencies in terms of work with government; the continued receipt of notifications on issues related to student welfare and safeguarding. Work is underway to further develop our approach to sector level and provider level intervention in these areas.

Website and social media

46. On social media, at the time of writing the OfS has 8710 followers, with an average monthly increase in followers of between three and four hundred. The OfS website had 310,000 page views since the date of the last board meeting. The most popular section of the website is advice and guidance, which accounts for 37 per cent of all traffic. This is followed by data and analysis (13 per cent of traffic), publications (13 per cent) and news and blog (9 per cent). There are now 2,400 subscribers to our new e-newsletter.

Amendments to the Remuneration and Nominations Committee terms of reference

47. As referenced in the report to the board from its December meeting, the board's approval is being sought to amend the terms of reference of the Remuneration and Nominations committee (RNC).
48. The terms have been revised to set out more clearly the responsibilities of the committee but, more specifically, the 'Membership' section requires some change. Currently the committee is constituted solely of OfS board members. As is the case with OfS's other committees, the proposal is for RNC to also appoint an independent member. To enable this, the proposal is to amend the terms of reference as follows:

The RNC will consist of:

- *Up to three non-executive, ordinary members of the OfS board one of whom will be appointed as chair of the committee*
- *An independent member with relevant experience of HR matters or remuneration committees.*

49. In addition, the committee believes one meeting a year is unlikely to be sufficient for it to carry out its business. A further change to the terms of reference is being proposed to reflect the committee's intention to meet at least two times annually.

50. The board is therefore invited to approve the revised terms of reference for the Remuneration and Nominations Committee as highlighted in Annex C.

Annex A - Report on use of delegated decision making

24 November 2018 to 13 March 2019

Use of the OfS seal

1. On 12 February 2019, the OfS seal was used to deal a deed transferring ownership of the Safe Campus Communities website from UUK to OfS. The deed was signed by Nicola Dandridge and Chris Millward.

Adjustments to grant

The text below and Appendix i have been corrected after the board meeting, because they previously included a grant adjustment for one provider (Aston University) that had already been approved and reported to the board in December 2018 (agenda item 10.1, at www.officeforstudents.org.uk/about/who-we-are/board-papers/ofs-board-meeting-6-december-2018/).

2. Under the scheme of delegation, the board delegates to the chief executive the ability to make changes to individual funding allocations, virements between budgets and decisions on the recovery of grant.
3. On 20 February 2019, the chief executive agreed:
 - a. Changes to 2018-19 grant arising from repeated over-recruitment in medicine and dentistry for eight providers.
 - b. Changes to 2018-19 high-cost funding arising from updated assessment of 2017-18 medical and dental over-recruitment for five providers.
 - c. Changes to 2018-19 funding resulting from reconciliation of forecast full-time equivalent student numbers with HEIFES18 data for four providers.
 - d. A decrease in 2018-19 funding resulting from data on veterinary science student numbers submitted by the University of Surrey.
 - e. Changes to grant arising from data audit and reconciliation for nine providers.
4. Details of the funding changes agreed on 20 February are set out in the table below (Appendix i). The overall reduction of -£1,556,091 releases funding that is available for reallocation to support other activities.

Appendix 1 - Changes to grant agreed in February 2019 (£s)

| | Recurrent grant adjustments for: | | Total change |
|--|----------------------------------|-----------------|-------------------|
| | 2017-18 | 2018-19 | |
| Changes arising from repeated over-recruitment in medicine and dentistry for eight providers. | | | |
| University of Brighton | | -14,158 | -14,158 |
| Imperial College of Science, Technology and Medicine | | -66,600 | -66,600 |
| King's College London | | -124,284 | -124,284 |
| The University of Hull | | -18,570 | -18,570 |
| University of Nottingham, The | | -30,303 | -30,303 |
| University of York | | -18,892 | -18,892 |
| The University of East Anglia | | -36,176 | -36,176 |
| University of Sussex | | -14,800 | -14,800 |
| Adjustments arising from updated assessment of 2017-18 medical and dental over-recruitment | | | |
| The University of Birmingham | | -2,803 | -2,803 |
| The University of Hull | | 701 | 701 |
| University of Nottingham, The | | -4,204 | -4,204 |
| University of York | | 701 | 701 |
| University of Newcastle upon Tyne | | 8,194 | 8,194 |
| Adjustments arising from reconciliation of forecast FTEs with HEIFES18 data | | | |
| Joseph Chamberlain Sixth Form College | | -9,536 | -9,536 |
| Middlesbrough College | | -138,172 | -138,172 |
| North Hertfordshire College | | -37,070 | -37,070 |
| West Suffolk College | | -9,952 | -9,952 |
| Adjustment arising from updated data on veterinary science student numbers | | | |
| University of Surrey | | -84,529 | -84,529 |
| Changes to grant arising from data audit and reconciliation | | | |
| Birkbeck College | -£336,041 | £4,061 | -£331,980 |
| University of Hertfordshire | £214,837 | £5,480 | £220,317 |
| Highbury College Portsmouth | -£5,700 | -£1,373 | -£7,073 |
| Kingston University | £1,060,637 | £6,369 | £1,067,006 |
| London Business School | £3,553 | -£10,599 | -£7,046 |
| North Warwickshire and South Leicestershire College | -£15,205 | -£11,840 | -£27,045 |
| Oxford Brookes University | -£983,736 | £19,792 | -£963,944 |
| Staffordshire University | -£188,192 | £24,868 | -£163,324 |
| Teesside University | -£753,904 | £11,355 | -£742,549 |
| Overall total | -1,003,751 | -552,340 | -1,556,091 |

Annex B - Office for Students Remuneration and Nominations Committee: terms of reference

Purpose

1. The Office for Students (OfS) has established a Remuneration and Nominations Committee to support the OfS board and the chief executive as Accounting Officer, in their responsibilities for the pay and performance management of senior management and for the pay remit relating to OfS staff. In addition, the committee will provide assurance to the OfS board in relation to organisational development and wider staffing issues. It also provides advice to the OfS chair on the nominations and appointments of independent members to any OfS committee.

Responsibilities

51. The responsibilities of the committee shall be:

- a. In relation to the chief executive:
 - To make recommendations to the OfS board on the terms and conditions of the employment of the chief executive, noting that some aspects of the terms and conditions will then need to be referred to the Department for Education (DfE) for approval. Unless there are exceptional circumstances, the board delegates consideration and approval of these recommendations to the chair of the board.
 - To support the OfS chair in setting performance objectives with the chief executive and monitoring their performance.
 - To carry out an annual review of the remuneration of the chief executive including making recommendations to DfE about proposed changes to levels of performance related pay which comply with DfE and wider civil service guidance.
- b. In relation to the Director for Fair Access and Participation (DFAP):
 - To support the chief executive in setting objectives with the DFAP and monitoring their performance.
 - To carry out an annual review of the remuneration of the DFAP including making recommendations to DfE about proposed changes to pay and levels of performance related pay within the context of the terms and conditions agreed by the board.
- c. In relation to the other OfS directors:
 - To support the OfS chief executive in monitoring the directors' performance.
 - To carry out an annual review of the remuneration of directors, and, based on the recommendations of the chief executive, to make decisions about changes to pay and levels of performance related pay involving DfE as required.
- d. In relation to the OfS more widely:
 - To review the aims of the annual pay remits, which seek authority from DfE for the nature and scale of pay awards to OfS staff, delegating the details to the chief executive.
 - To set and review the ongoing appropriateness and relevance of the OfS's approach to remuneration in enabling it to recruit, motivate and retain staff.

- To consider an annual report on OfS's approach to staffing policy and organisational development, and to provide advice to the OfS Chief Executive and assurance to the board on staffing policy and organisational development.
 - To review the remuneration report that forms part of the OfS' Annual Report and Accounts which must include details of the remuneration of all board and committee members, chief executive, DFAP and directors.
 - To support the OfS chair, chief executive and DfE in the consideration of succession planning requirements at board and executive level.
- e. In relation to committee nominations:
- To provide assurance that the process for recruiting independent members to any OfS board committee is open, fair and promotes equality of opportunity.
 - To provide advice to the OfS chair on the appointment of suitable independent members to any of these committees.

52. The committee will take account of remuneration and appointments policy and advice provided by the HM Treasury, the Cabinet Office and DfE in carrying out its work.

Authority

53. The committee is authorised by the OfS board to:
- a. Seek any information it needs from any employee of the OfS and from any other body in order to perform its duties.
 - b. Procure specialist ad-hoc advice (including legal advice) at the expense of the OfS up to £10k per annum or as agreed by the board.

Membership

54. The committee shall be appointed by the OfS board. It shall consist of:
- a. Up to three non-executive, ordinary members of the board one of whom will be appointed as chair of the committee.
 - b. An independent member with relevant experience of HR matters or remuneration committees.

55. The chair of the OfS board may be a member of the committee but should not act as its chair.

56. Appointments to the committee shall be for a period of up to three years, which may be extended for up to a further three-year period, providing the board member or the independent member still meets the criteria for membership of the committee.

57. Any two members of the committee will comprise a quorum for decision making.

58. All members of the Remuneration and Nominations Committee are legally indemnified against negligence by the Department for Education.

Meetings

59. The committee will normally meet at least twice a year. The chair of the committee may convene additional meetings as they deem necessary.

60. In the absence of the chair of the committee, the meeting will be chaired by another member that is also a member of the OfS board.
61. While only members have a right to attend meetings, the committee may also require any other officials of the OfS to attend to assist it with its discussions on any matter.
62. The committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.
63. The committee may invite the chief executive to attend any parts of its meetings other than those directly affecting their personal remuneration or performance assessment.

Reporting

64. The committee will formally report in writing to the OfS board after each meeting.
65. Committee meetings shall be minuted and draft minutes circulated to members as soon as possible after the meeting.
66. The committee's activities will be reported in the OfS annual report and account including disclosure of all senior staff remuneration as required by HM Treasury's Financial Reporting Manual (FReM).
67. Committee papers and minutes are available to the National Audit Office on a need to know basis and to any OfS board member by agreement with the chair of the board (and subject to compliance with data protection rules). They will otherwise remain confidential.

Other

68. The committee shall, from time to time, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the OfS board for approval.

Annex C – Future board business

May 2019

CEO report
Report from Risk and Audit Committee
OfS accounts 2018-19
Public sector equality data
OfS people report
Prioritisation framework
Student panel / board engagement
NSS contract

July 2019

CEO report
Update to the scheme of delegation
Validation arrangements
Student contracts
Revised student engagement strategy
Update on TEF

September 2019

CEO report
Q1 Finance report
Report from the Risk and Audit Committee

November 2019

CEO report
Q2 Finance report
Report on Innovation Challenge Fund
Report from the Risk and Audit Committee
Review of OfS strategy