



Minutes of the OfS board meeting – 4 July 2023

Location: Microsoft Teams

Timings: 1330 – 1620

- Present members:
- James Wharton (chair)
 - John Blake (Director for Fair Access and Participation)
 - Martin Coleman
 - Elizabeth Fagan
 - Katja Hall
 - Verity Hancock
 - Rachel Houchen
 - Susan Lapworth (Chief Executive)
 - Simon Levine
 - Martyn Oliver
 - Dayo Olukoshi
 - Michael Spence
 - Caleb Stevens
- Attendees:
- Zoe Forbes, Deputy Director, HE Quality and Regulation, Department for Education (DfE) representative
- Apologies:
- David Palfreyman
- Officers:
- Jean Arnold, Director of Quality
 - Josh Fleming, Director of Strategy and Delivery
 - Paul Huffer, Head of Legal
 - Katherine Jacob, Corporate Governance Senior Officer (clerk)
 - Meg Matthews, Head of Development and Effectiveness
 - Tom Mcilwaine, Chief of Staff
 - Nolan Smith, Director of Resources and Finance
 - David Smy, Director of Monitoring and Intervention
 - Mike Spooner, Senior Adviser to the CEO and Chair

Report from the Remuneration and Nominations Committee (paper 11.1)

1. This item was discussed at the beginning of the meeting, before staff members joined. John Blake left the meeting for the whole of this item, and Susan Lapworth left the meeting for the second part of this item.
2. The board noted the chief executive's assessment of performance and planned approach to the remuneration for the directors.
3. The board considered recommendations in relation to the performance and remuneration of the chief executive.
4. This item has a separate confidential minute.
5. The board:
 - a. Gave the OfS chair delegated authority to make the final decision on the chief executive's consolidated and non-consolidated pay after giving appropriate consideration to any potentially relevant Senior Civil Service guidance issued by Government.
 - b. Received the report from the Remuneration and Nominations Committee.

Chair's welcome

6. The chair welcomed board members, OfS staff and the representative from the Department for Education (DfE).
7. New staff member Tom Mcilwaine, Chief of Staff, was welcomed.
8. It was noted that Kate Lander will be stepping down from the board after this meeting. Kate was thanked for her contributions to the board and in particular for chairing the OfS Risk and Audit Committee. Katja Hall will be taking over as chair of the Risk and Audit Committee.
9. The chair reported on his recent visits to two providers as part of the refreshed approach to provider engagement: Matrix College of Counselling and Psychotherapy and Norwich University of the Arts.
10. 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 minutes of the last meeting (paper 2.1)

11. The minutes of the board meeting held on 23 May 2023 were approved.

Chief executive's report (paper 3.1)

12. The chief executive presented a report which provided an update on work undertaken and issues that have arisen since the last board meeting.

13. The following points were made:

- a. The pilot programme of visits to providers is underway, and the programme is being evaluated. Members will be invited to join the next series of visits which will be scheduled in the autumn. Those members who had been able to join a recent visit commented that it is a very valuable experience.
- b. The OfS wrote to providers affected by the current marking and assessment boycott by the University and College Union, to understand the impact of the action on students and to remind providers of their regulatory and legal obligations. Most providers have responded that there is no, or limited, impact, although a small number have reported a substantial impact.
- c. The first draft reports from our investigations of the quality of courses in business and management and computing are currently being sent to providers for factual accuracy checks and representations in response to our view that we should publish the reports.
- d. The London office move to the Government Hub at Sanctuary Buildings is due to take effect from 12 July.

14. Further to paragraph 20 of the chief executive's report, it was noted that the short course trial had concluded.

15. John Blake and Susan Lapworth declared a conflict of interests for the following points in relation to decision-making on remuneration matters for the chief executive and directors.

16. The board considered a proposal to make changes to the scheme of delegation to clarify the terms of reference of the Remuneration and Nominations Committee. The main effect of these changes is to clarify that the role of the committee is to provide advice and make recommendations to the OfS about a wide range of matters relating to members of the OfS and OfS staff, including the remuneration and performance of the chief executive and directors. Where the OfS is responsible for taking decisions on matters relating to remuneration, these decisions would continue be taken by the board or other persons in accordance with their existing delegated authority. The board was asked to approve the proposed amendments to the scheme of delegation.

17. The board:

- a. Noted the updates contained in the report.
- b. Approved the proposed changes to the scheme of delegation with effect from 10 July 2023.

18. Exempt from publication (paper 4.1)

19. Exempt from publication.

20. Exempt from publication.

21. James Wharton left the meeting. Martin Coleman took over the chairing of the meeting.

Review of strategic risks (paper 5.1)

22. An update on the current strategic risks, and a set of proposed new strategic risks, were included with the papers.

23. The board:

- a. Welcomed the new framing of the strategic risks.
- b. Exempt from publication.
- c. Approved the proposed updated strategic risks.

OfS people update (paper 6.1)

24. The Head of Development and Effectiveness presented the people update and noted:

- a. The OfS is making good progress towards more agile ways of working.
- b. The rate of staff turnover has increased slightly since the pandemic, but it is not dissimilar to other regulators or to the civil service. Exempt from publication.
- c. The profile of the workforce has remained consistent.
- d. The people survey had a high completion rate, and the team is focusing efforts on areas with the lowest scores.

25. Exempt from publication.

26. The board received the report.

Refreshed approach to student engagement (paper 7.1)

27. The Director for Fair Access and Participation presented emerging thinking on a refreshed approach to student engagement, noting that this is a timely review now that the OfS is into its second strategy.

28. The refreshed approach would see student engagement disaggregated into three strands: student information, student input and student insight.

29. The board:

- a. Agreed that it is important for the OfS to refresh its approach to student engagement and welcomed the proposals.
- b. Heard that at the recent meeting of the student panel, the panel was in agreement that changes need to be made and that the panel needs to be clear about matters that are, or are not, within the OfS's remit.

- c. Noted that there should be routes other than the student panel to gain students' insights, and that where these already exist, public awareness needs to be raised.
- d. Agreed that the OfS could make better use of data on people's engagement with the information that is published, and heard that an independent contractor has been appointed to review Uni Connect.
- e. Agreed with the suggestion made at the House of Lords Industry and Regulators Committee inquiry that the impact of student engagement on the OfS's work could be reported annually in an appropriate format.
- f. Commented that during visits to providers undertaken as part of our programme of refreshed engagement with providers, it is useful to be able to meet students without staff from the provider present.
- g. Suggested that students could be involved in horizon scanning.

Artificial intelligence and the regulation of higher education (paper 8.1)

30. The board received a report on the impact of artificial intelligence on the regulation of higher education.

31. The board:

- a. Noted the fundamental importance of artificial intelligence in the context of our regulatory objectives.
- b. Noted the general challenges associated with regulating any new technology – intervene too early and the regulator may stifle innovation; too late and the regulator may be left behind, unable to influence the system.
- c. Heard that the OfS is exploring the use of artificial intelligence in its own operations, where appropriate, and in areas in which it will not create information security risks.
- d. Agreed to continue monitoring developments in artificial intelligence and its application to higher education, and to hold a further discussion in February 2024.

Report from the Quality Assessment Committee (paper 9.1)

32. A report from the Quality Assessment Committee was included with the papers.

33. The chair of the committee reported that the committee discussed quality assessment activities, student outcomes, the subject matter of courses causing concern and degree awarding powers (DAPs). The committee noted the board's agreement to its new role to advise on DAPs assessments.

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

Report from the Risk and Audit Committee (paper 10.1)

35. A report from the Risk and Audit Committee, including the annual report of the committee, was included with the papers.
36. The chair of the committee reported that the recent meeting focused on the assurance and approval processes in relation to the annual report and accounts. She further noted the excellent working relationships between the internal team, the internal auditors and the National Audit Office, and commended staff in the Resources and Finance directorate for their work.
37. The attention of the board was drawn to paragraph 9 of the committee's annual report, stating that the committee is supportive of the new approach to risk and risk management while also being mindful that the risk register is growing.
38. The board received the report from the Risk and Audit Committee.

Closing remarks

39. The board and staff were thanked for their contributions.

AOB

40. It was reported that Lila Tamea, Amy Stanning and Rahul Mathasing have now left the student panel. The board recorded its thanks for their service over the last two years.