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Interpretation and Practical Application of the QQI Core Statutory Quality Assurance Guidelines Section 2.1 Governance and Management of Quality.pdf

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Interpretation and Practical Application of the QQI Core Statutory Quality Assurance Guidelines Section 2.1:

Governance and Management of Quality

A Practical Resource for Providers and Panel Members

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Dearbhú Cáilíochta agus Cáilíochtaí Éireann

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1. INTRODUCTION

This document has been designed to assist providers and panel members in interpreting the QQI Core Statutory (QA) Guidelines (April, 2016) in respect of governance and the management of quality[1]. It is intended that this resource document will assist providers and panel members in determining a consistent understanding of the key concepts and aspects of an effective governance structure while avoiding a one-size-fits-all approach.

The document explains key aspects of governance and also includes a useful guide and questions for providers or panel members to consider when designing, evaluating, reviewing or renewing governance arrangements.

[1] In Spring 2021, QQI commissioned experienced senior academic leaders and panel members, Dermot Douglas and Naomi Jackson, to draft this resource document on its behalf.

2. AIM OF THE DOCUMENT

One of the areas that causes difficulty for applicants seeking Initial Access to Validation and / or reengagement with QQI is a common understanding of the nature and scope of governance that should be in place.

The aim of this document is to offer practical advice and information on the minimum requirements that will enable QQI be satisfied that an appropriate system of governance is in place in an applicant provider. That system of governance will:

a) enable the provider to operate effectively and exercise appropriate oversight of its education and training and related services,

b) safeguard the standards of education at the levels sought on the National Framework of Qualifications (NFQ),

c) safeguard the integrity of the NFQ, and

d) underpin the national and international recognition of awards granted by QQI.

This document is not intended as a *pro forma* template of what applicant providers must have in place. It is intended to highlight issues that should be **considered** when an applicant provider, or a potential panel member, is determining whether the governance system in place is fit for purpose in meeting the requirements at (a) to (d) above.

3. GOVERNANCE REQUIREMENTS

Applications for Access to Initial Validation are made on a voluntary basis, while applications for reengagement are obligatory for providers that previously had QA approved by either HETAC or FETAC and wish to continue to offer programmes leading to QQI awards. Each process carries with it the **obligation** to satisfy QQI that the mechanisms in place for governance and management and the policies and procedures adopted by the applicant to provide 1) the assurance that quality standards will be maintained and 2) that the reputation of the National Framework of Qualifications is protected are consistent with the statutory QA guidelines and criteria set out by QQI in policy documents[2].

Ownership of the system of governance in a provider and the quality assurance policies and procedures that provide its supporting framework are entirely within the purview of the applicant provider.

[2] *Core Statutory Quality Assurance Guidelines* (2016); *Standards and Guidelines for Quality Assurance in the European Higher Education Area*, May 2015; *Sector Specific Quality Assurance Guidelines for Independent / Private Providers* (2016); *Topic Specific Quality Assurance Guidelines for Blended Learning* (2018)

It is **not** a role for QQI, or any panel of experts, to insist how an applicant provider organises its business. It is, however, a role of a panel to assess whether the structures, policies and procedures in place are **sufficient** to allow QQI be satisfied that they will provide protection to the standards of any programmes it validates and maintain the integrity of any awards it makes. While individual panel members may 'prefer' different structures or policies and procedures, this is not the judgement they are required to make. Their role is to determine whether what is in place, or proposed to be in place, is fit-for-purpose in meeting the QQI requirements indicated at (a) to (d) above.

4. MINIMUM REQUIREMENTS FOR GOOD GOVERNANCE

The minimum requirements for satisfying QQI in terms of governance require that the following questions are addressed in a clear, coherent and effective manner by the provider:

1) Are there fit-for-purpose governance, management and decision-making structures in place?
2) Is there oversight for all areas of significant decision making? This should include informed externality / independence/ devil's advocate view to bring fresh thinking and to prevent group think.
3) What processes and policies are there to ensure that decisions on education and training matters are made independently of commercial considerations?
4) Where does the ultimate responsibility for decision making lie in the organisation in respect of programmes of education and training?
5) How are corporate and academic governance issues kept separate when deciding on resources and other financially impactful issues relating to programmes design?
6) Where is risk considered and managed within the organisation? Is there a risk register?
7) Are there clear terms of reference for the various roles and committees which operate governance?
8) Is there clarity (ideally depicted graphically) of how the various QA committees and roles and activities connect and interact?
9) Are there suitable mechanisms in place for internal and external evaluation and self-monitoring?

5. WHAT IS MEANT BY GOVERNANCE?

Governance implies that there is a system in place to oversee the education and training, research (where applicable) and related activity of the provider to ensure its standards and quality. This governance structure **enforces separation of responsibilities** between those who produce/develop material and those who approve it. Included in the governance structure are groups or units which:

i) make decisions

and

ii) approve decisions.

The system of governance for most providers[3] comprises two distinct but mutually dependent elements. These are **corporate** governance and **academic** governance.

The term **corporate governance** normally describes how the business areas such as strategy, finance, HR, estates. etc. are controlled and managed. Corporate governance is the responsibility of the Board/ Governing Authority (the governing authority of the enterprise) and its committees[4].

Academic governance refers to how the academic matters of the provider are governed. Typically, academic governance will cover matters such as student admissions; academic standards; teaching, learning and assessment; academic quality; and recommendations for awards. Academic governance is generally the responsibility of an Academic Council, or Academic/ Quality Committee, and its sub-committees.

For a provider's system of governance to work effectively, both of these elements of governance need to work harmoniously and there must be an appropriate organisational management structure to ensure they work effectively and efficiently. If, for any reason, they do not do so, there is a clear risk of governance failure.

In determining its appropriate governance structures, a provider should take account of the following:

- size of the provider;
- scale of operations;
- scope of delivery (viz. level on NFQ, type of award, modes of delivery, etc.);
- capacity (of premises, technology, resourcing (including staffing) and other facilities);
- capability (of staff to deliver programmes of education and training);
- skills available.

[3] Private providers seeking Initial Access to Validation from QQI for programmes of further education and training must meet these same standards.

[4] The corresponding structures for small providers or sole traders are discussed in section 17 on micro-providers.

Obviously, these will have a significant impact on any structures that a provider has in place or will need to put in place. Where a provider's scale is such that it cannot support the desired internal committees, alternative arrangements need to be put in place to ensure objective oversight. The requirement to set up committees needs to be carefully considered to ensure that only those that are strictly necessary are formed. In this context, it is important not to overburden individual staff by having them serve on multiple committees and to ensure that, within the hierarchy of structures, nobody reports to themselves or to someone at a more junior level in the organisation than themselves.

6. CORPORATE GOVERNANCE

Corporate governance is the collection of structures, mechanisms, processes and relationships used to **control and operate** a business. It identifies and supports the distribution of roles and responsibilities among different participants in the company (such as the Board/ Governing Authority/ Board of Directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders) and include the rules and procedures for making decisions in corporate affairs. Good corporate governance minimises the possibility of conflicts of interests between stakeholders.

Corporate governance includes the processes through which a company's objectives and strategy are set and pursued in the context of the current social, regulatory and market environments. These include monitoring actions, policies, procedures, and decisions.

A key party involved in corporate governance is the Board/ Governing Authority (or Board of Directors).

7. THE BOARD/ GOVERNING AUTHORITY

The Board/ Governing Authority, which comprises the Directors of the company and may include other members, is responsible for leading and directing the provider's activities and for all financial matters.

Where a Board/ Governing Authority is constituted with only executive Board/ Governing Authority members, it is good practice that **independent external** personnel should be included to ensure a broader perspective, to provide advice, guidance and experience.

8. SEPARATION OF COMMERCIAL AND ACADEMIC DECISIONS

It is good practice that the Board/ Governing Authority **delegate** particular functions to an Academic Council/Academic Committee and to the management of the provider; however, the exercise of the

power of delegation does not absolve the Board/ Governing Authority from the duty to **supervise** the discharge of the delegated functions.

9. ROLE OF BOARD/ GOVERNING AUTHORITY

A Board's role is to govern the affairs of the provider. However, it is important that it allows the managers to manage, and the executive committees to which it delegates responsibility to discharge those responsibilities, and not to meddle or involve itself in the operations of the business that it has entrusted to others.

10. WHAT IS THE DIFFERENCE BETWEEN GOVERNANCE AND OPERATIONS?

A board focussed on governing always has **the strategy** of the provider at the forefront of its consideration. It sets a clear direction. It has a clear understanding of the framework which underpins the environment that the company operates within. It manages the strategy of the business, not the business itself.

Management is allowed to flourish under the direction and guidance of the Board.

While the Board/ Governing Authority has its own role and responsibilities, its role in the context of the operations of the company can be summarised in the useful, descriptive and easily understood phrase "Eyes open, noses in, fingers out". Like all such relatively glib phrases, this is open to being misconstrued. It does not mean that the only function of the Board/ Governing Authority is to continually try to sniff out the "bad stuff". At a high level, it means that the Board/ Governing Authority is aware of the provider's key risks and understands and supports what management is doing to mitigate those risks[5].

The Board/ Governing Authority must also stand ready to provide advice and direction if management is getting it wrong. In order to get the type of insight it needs to discharge its 'oversight' role, it is necessary for the Board/ Governing Authority to stick its "nose in", to be aware at all times of what the provider is achieving and how it is being operated. The trick is how to do this without being involved in the operational management of the provider. The Board/ Governing Authority's

5 Boards and Governing Authorities have clear responsibilities in law and to the provider of which they are Directors. As the New Zealand Lawyers Group Chapman Tripp put it recently, Directors' backsides are exposed if "noses in, fingers out" becomes "hands off, eyes shut". *New Zealand: Directors' backsides exposed if "noses in, fingers out" becomes "hands off, eyes shut"* (2012) Available at https://www.mondaq.com/newzealand/corporate-governance/168160/directors-backsides-exposed-if-noses-in-fingers-out-becomes-hands-off-eyes-shut-9-march-2012 (Accessed: 6 May 2021)

responsibility is to ask insightful questions, follow-up the answers with advice that demonstrates experience and good judgment but stay out of the management of the business. In practice, this will vary widely based on the nature and size of the provider, as well as the specific circumstances and culture of the company.

Governance is further complicated in many small private providers that are founder-owned and operated, with the owner often having his or her entire worth and career totally invested in the enterprise. This may well mean that the effective board is inextricably intertwined with management and often has daily engagement with management on operational details. As a result, it can be extremely difficult to ensure that the Board/ Governing Authority keeps its 'fingers out' of the day-to-day running of the business.

This can create a risk in private providers, where business imperatives might suggest actions that are inimical to maintaining nationally endorsed standards of education and training. This is a risk that QQI requires any applicant seeking initial access to validation or reengagement to mitigate in a clear and effective way.

One way of doing this, while ensuring that educational standards are not compromised, is to separate the responsibility for assuring educational quality standards from the functions of the Board/ Governing Authority. This is normally done through the Board/ Governing Authority delegating sole responsibility for all academic issues to a formally constituted Academic Council/Academic Committee[6].

11. FUNCTIONS OF THE BOARD/ GOVERNING AUTHORITY

The Board/ Governing Authority governs. It represents the ultimate legal authority of the provider. Managers and staff serve at the pleasure, and implement the policies, of the Board/ Governing Authority. The oversight role of the Board/ Governing Authority can only be exercised effectively where it is balanced by its fiduciary role.

The Board/ Governing Authority should fulfil key company functions, such as: devising, reviewing and guiding the strategic direction[7] and major plans of action of the company, risk management policies

[6] The titles used to name such committees is entirely at the discretion of the provider: the terms used here are those in most frequent usage amongst many private providers. The terms 'Quality Committee' or 'QA Committee' are also in common usage, particularly in the FET sector.

[7] See Appendix 1

and procedures[8], annual budgets and business plans, setting performance objectives, monitoring implementation and performance, and overseeing major capital expenditure and investment decisions.

Financial decisions, except where delegated, are within **the sole purview** of the Board/ Governing Authority, who will make clear, in writing, the limit of any delegation of authority in financial matters.

Actions of the Board/ Governing Authority should be fully informed, ethical, and made in the best interest of the company in good faith, with due diligence and care, having due regard to its legal and fiduciary responsibilities.

The Board/ Governing Authority should promote the development of the capacity of the provider, including the capability of its leadership and staff.

The Board/ Governing Authority is responsible for holding the Chief Officer and senior management to account for the effective performance of their responsibilities.

A fundamental responsibility of the Board/ Governing Authority is to ensure that a balanced, true and fair view of the provider's financial performance and financial position is made when preparing its annual returns report and financial statements and submitting these to the Companies Registration Office.

The Board/ Governing Authority is responsible for arranging for the financial statements to be audited by an independent auditor.

The Board/ Governing Authority is responsible for implementing any required actions resulting from its independent audit and/or the CRO.

Financial Statements and Annual Returns reports are intended to give stakeholders information regarding the provider's activities and financial performance. These reports and statements should be available to QQI if requested.

Best practice requires that Boards/Governing Authorities should ensure that **Audit and Risk** Committee[9] arrangements are in place and are tailored to the particular circumstances of the provider. This will vary depending on the scale, nature, scope of delivery, level of proposed provision and any other functions (national or international, collaborative) of the provider. It is good practice to

[8] See Appendix 2

[9] See Appendix 2

ensure that the majority of members of the Audit and Risk committee are external, independent members. In the absence of an Audit and Risk Committee, the responsibilities for management and mitigation of risk must be clearly assigned to an alternative decision-making body with membership and responsibility that is at a level suitable to ensure the oversight of risk reflects both academic and commercial matters. In all cases, a risk register should be maintained.

12. SEPARATION OF POWER

Where the CEO and Chairperson of the Board/ Governing Authority roles are held by the same person, it can create an inherent conflict of interest between management and the Board/ Governing Authority. This is best avoided through the Board/ Governing Authority, by resolution at a meeting, delegating authority over academic matters to an Academic Council/Academic Committee and the CEO retaining responsibility for implementing Board/ Governing Authority decisions in respect of:

- strategy[10], the objectives that have been set, and the major plans of action to achieve them,
- addressing risk,
- execution of capital plans and acquisitions,
- controlling annual budgets,
- selection and recruitment,
- remuneration and compensation policy decided by the Board/ Governing Authority,
- establishment and implementation of internal controls, and
- ensuring the integrity of the provider's accounting and financial reporting systems, including independent audit.

[10] See Appendix 1

13. ACADEMIC GOVERNANCE

Academic governance encompasses academic matters including student admissions, curriculum, assessment of students, academic standards and academic quality assurance, and student discipline.

Academic governance is frequently achieved through the Board/ Governing Authority delegating powers over academic matters to an Academic Council/Academic Committee that serves to protect, maintain, and develop the academic standards of the programmes and the activities of the provider.

13.1. Academic Council/Academic Committee

The provider should have an Academic Council/Academic Committee appointed by the Board/ Governing Authority to assist it in the planning, co-ordination, development and overseeing of its educational work and to protect, maintain and develop the academic standards of the programmes and the activities of the provider.

The Board/ Governing Authority should, by written resolution at a meeting, delegate responsibility for **all academic matters** to the Academic Council. Following this decision by the Board/ Governing Authority, all academic decisions will be within the **sole purview** of the Academic Council/Academic Committee, which shall inform the Board/ Governing Authority of its decisions.

13.2. Possible Configuration of an Academic Council/Academic Committee

1) The Board/ Governing Authority, by written resolution, delegates authority to the Academic Council/Academic Committee to protect, maintain and develop the academic standards of the programmes and the academic activities of the provider.
2) The Board/ Governing Authority receives reports from Academic Council/Academic Committee, while respecting the authority and academic freedom of members of the Academic Council/Committee.
3) The Board/ Governing Authority shall, from time to time, provide for the membership and terms of office of the Academic Council/Academic Committee.
4) The Board/ Governing Authority shall agree, from time to time, the **Constitution** of the Academic Council/Academic Committee.
5) The majority of members of the Academic Council/Academic Committee shall be holders of academic appointments within the provider and at least one shall be a student or graduate of the provider.
6) It is good practice if the Chair of the Academic Council/Academic Committee is an external, independent appointee, who has experience in Further /Higher

Education. Externality can be incorporated in the membership through other means also.

13.3. Functions of an Academic Council/Academic Committee should include, inter alia,

1) Consideration of draft strategic plans and their possible implications for resourcing and impact on standards and existing curriculum and make recommendations on same to the Board/ Governing Authority;
2) To recommend the approval of the design, development and implementation of programmes of study, consistent with the mission and strategy of the provider and within the budgetary constraints set by the Board/ Governing Authority;
3) The establishment of appropriate structures to implement the courses of study referred to above and validated by appropriate awarding bodies;
4) To propose to the Board/ Governing Authority for approval, policies and procedures for the assurance of quality, that are in accord with the standards and guidelines of QQI, any other recognised awarding body, and the European Standards and Guidelines for Quality Assurance in Higher Education, as applicable to the provider;
5) To make recommendations to the Board/ Governing Authority for the selection, admission, retention and exclusion of learners;
6) Be responsible, subject to the approval of the Board/ Governing Authority, for making the academic regulations of the provider;
7) Be responsible for academic discipline and maintaining the integrity of academic standards and awards;
8) To propose to the Board/ Governing Authority, subject to the requirements of QQI, or any collaborating university, technological university, institute of technology, private provider or other authority, the form of regulations to be made by the Board/ Governing Authority for the delivery of programmes/collaborative programmes, the conduct of examinations and for the evaluation of academic progress;
9) To propose to the Board/ Governing Authority strategies for, and resources required to deliver blended learning, e-Learning and distance learning and the assessment of such learning; and with the approval of the Board/ Governing Authority seek approval for these methodologies from QQI;

10) To oversee the assessment of learners and formally ratify decisions relating to progression and recommendations for award as determined by duly constituted Boards of Examiners[11];
11) To support and embed a culture of academic integrity at all levels of the provider;
12) To make general arrangements for tutorial or other academic counselling;
13) To assist in implementing any regulations which may be made by the Board/ Governing Authority concerning any of the matters aforesaid;
14) To make recommendations to the Board/ Governing Authority on programmes for research and development work;
15) To undertake such other tasks, within the normal scope of an Academic Council/Committee, as may be delegated to it by the Board/ Governing Authority.

The Academic Council/Academic Committee will prepare an annual report on its actions and the actions of Committees of the Academic Council/Academic Committee for the Board/ Governing Authority.

Once it is established and subject to any specific directions of the Board/ Governing Authority, notified to it in writing, the Academic Council/Academic Committee may regulate its own procedure.

The Academic Council/Committee should have a written constitution and standing orders agreed with the Board/ Governing Authority.

[11] As per the provider's quality assurance policies and procedures and Marks and Standards document.

14. COMMITTEES OF THE ACADEMIC COUNCIL/ ACADEMIC COMMITTEE

The Academic Council/Academic Committee, with the approval of the Board/ Governing Authority, may:

- establish such and so many committees, consisting either wholly or partly of persons who are employees of the provider or external, independent advisors, as it determines, to assist it in the performance of its functions[12];
- determine the functions of any committee it establishes;
- The acts of any and all such committees should be subject to confirmation by the Academic Council/Academic Committee unless the Academic Council/Academic Committee dispenses with the necessity for such confirmation.

15. PRACTICAL APPLICATION OF GOVERNANCE

A review of initial access and reengagement panel reports identifies several common trends in respect of governance structures and the practical application of these. These are not unique to any one provider type, size, maturity or scope of provision. The common trends include:

- The need for greater externality / independence in governance structures;
- Potential for conflict of interest in current arrangements;
- Greater separation of commercial and academic decision-making required;
- QA procedures conflicting with proposed governance structures or responsibilities of decision-making bodies;
- A requirement for increased transparency, evidence of independence and clarity of factors which influence academic decision-making in respect of complaint and appeals.

The following section will look to address these, and other challenges providers face in developing governance structures and the effective practical application of them in quality assurance.

[12] It is important that the number of committees established is sufficient to carry out necessary tasks but not so many as to become a burden on the provider and its staff.

16. FACTORS FOR CONSIDERATION

16.1. What are the needs of your organisation?

Not every provider will need a large-scale, multi-layered governance structure comprising of multiple boards and committees. The governance structure should be suited to the specific context and the decision-making and accountability requirements of the individual provider.

A provider or panel member should consider the types of activities and decisions that are needed in order to ensure these are clearly identifiable as either academic or corporate governance matters. All stages of decision-making should be considered.

Example of a two-stage academic decision

Appointment of external examiners/ authenticators is an academic decision. This typically requires at least two decision-making steps; the proposal of a nominee, and the approval or rejection of the nomination.

In considering the different stages of decision-making, it may become apparent that the activity requires both academic and corporate approval. In such cases, the nature of the decision-making should be clearly differentiated.

Example of a decision requiring both academic and corporate approval

Proposal to submit a new programme application to QQI.

From an academic perspective, the Academic Council/ Committee must be satisfied that the application meets the requirements relating to quality assurance, academic standards and integrity; and consider if there are any academic-related capacity issues. From a commercial perspective, the Management Board must consider the recommendation of the Academic Council/ Committee and the facilities, resources and investment requirements of the proposed programme, in addition to validation costs, and decide whether to proceed with the application. The differentiation in responsibility, indicating Academic Council/ Committee makes recommendations (including with conditions) to submit programme validation applications and the Management Board having authority to ultimately approve the submission of applications, should be clearly articulated in the respective terms of reference and also be evidenced in the stages of the QA procedure for new programme development and validation.

By detailing the different decision-making stages associated with each business activity it should then be possible to identify which are matters that involve developing proposals or materials or making an initial decision and which are matters that involve ultimate approval or determination of action. This detail should then be reflected in terms of reference, ensuring clear separation between the production of materials or determination of initial decisions, and the approval of them.

The volume and nature of decisions, along with the scale and scope of provision, will assist in determining the number and types of Boards and Committees that may be required and whether these are responsible for development or approval.

Example of different approaches based on provider need

A large-scale provider may determine that the size and scope of its provision is such that it requires a dedicated committee for teaching, learning and assessment. In contrast, a small-scale provider may decide an academic operations committee, dealing with all aspects of admissions, student services, learning supports, teaching, learning and assessment, is more appropriate to its size and scope of provision.

In both providers, the committees are accountable to, and overseen by, the Academic Council/ Committee.

Whatever model is decided upon, it is important that the membership of each Board and Committee has the requisite expertise to fulfil the duties and decision-making required of it.

When considering where decisions are best made, it is feasible for initial decisions to be attached to a role rather than a committee. Nevertheless, there should continue to be accountability to a higher authority (board or committee) and referral for ultimate decision-making to ensure appropriate independence and oversight and protect academic standards and integrity.

Example of initial decision-making by an individual role with governance oversight

Continuing the earlier example of external examiner appointments, in a small-scale provider it would not be unreasonable for a lecturer to refer a possible nomination or nominations to the Head of School/ Training Manager or equivalent role. The Head of School/ Training Manager will review the nomination and either accept or reject it. In a larger scale provider, it may be more appropriate for a committee to select or reject nominations in the first instance. In both providers, the final appointment of the external examiner should be approved by the Academic Council/ Committee.

16.2. What is the extent of decision-making authority?

For each body in the governance structure, the extent and limitations of its authority must be documented clearly and unambiguously. Consider if the role of each body is to propose, to review, to note, to refer, to recommend, to approve, etc. Be clear about the parameters of the decision-making and how decisions are made. Questions to consider include:

- Precisely what decisions is the committee authorised to make in respect of each matter of business it is engaged in?
- How are decisions determined?
- Does every member have an equal vote?
- How is dissenting opinion dealt with?
- What if there is a tied vote?
- Are votes hidden or open?
- If the decision-making is to refer or recommend, for example, to what individual or body do referrals or recommendations go?
- To what authority is the Board or Committee accountable and how does that reporting happen?

Addressing this requirement will help to clarify the relationship and communication channels between different parts of the governance structure.

16.3. At what frequency do the different bodies meet?

The timing and frequency of meetings needs to be fit for purpose. It is important to map the business activities and the decisions that will be required against the calendar to ensure appropriate timing.

> **Example of inconsistency between business activity and governance arrangements**
> *A provider's QA manual specifies that Boards of Examiners will meet twice per year in December and June. A review of the provider's programmes shows they offer a series of short courses and special purpose awards which conclude four times a year in January, April, July and October. They also have a repeat assessment period in August to facilitate the recovery of failure. This immediately highlights that programme completion, recommendation for awards or the opportunity to progress is delayed due to restricted Exam Board scheduling.*

There is no one-size-fits-all approach to this. Providers should base such decisions on their needs. Consideration should also be given to meeting timings where matters are referred from one body to another.

Timing and frequency of meetings should be clearly documented in the terms of reference. This can be a general commitment to a minimum of a set number of times per year, it could be a commitment to meet after a specific event, e.g., after every examination sitting, or it could specify the times of the year the meetings will take place. If there could potentially be additional meetings, the terms of reference should ideally outline the circumstances when this may arise. Questions to consider include:

- Is the timing of the meeting determined by other internal or external factors, e.g., QBS[13] certification dates?
- Are there earlier or later stages in the decision-making process that will dictate what business can be considered?
- Is it clear what factors influence when a meeting will be held?
- Do timings allow sufficient time for consideration of reading material in advance or for actions to be addressed before referring to the next stage?

16.4. How is membership determined?

Membership should be determined by the nature of the business of the Board or Committee and the expertise required for fulfilment of duties and decision-making. It is likely that this will result in memberships being a combination of ex-officio members and elected or selected representatives. Avoid attempting to duplicate membership of other providers. Membership needs to be reflective of the provider's context.

Example of membership informed by provider context

Provider A offers full-time, on-campus programmes. Provider B also offers full-time, on campus programmes but these are primarily vocational programmes and are in addition to part-time programmes that are offered through blended learning. Both providers are establishing a Teaching and Learning Committee.

Provider A's committee membership is comprised of academic members from the different schools or departments, along with library representatives, learning support staff representatives, and student representatives.

Provider B's committee membership is also comprised of academic members from the different schools or departments, library representatives, learning support staff representatives, and student representatives, but in order to have the full expertise relevant to the decisions required in their context, it also includes the Network Manager, the Placement Officer, an

[13] QQI's Business System – the online service provided to facilitate the making of awards to learners.

employer representative, an Instructional Designer and a Technical Support Officer[14]. Learner representatives include both full-time and part-time learners.

An ex-officio membership should be confirmed in cases where the expertise of particular roles or the authority of a role justifies permanent membership. It is important that such decisions are based on the duties, responsibilities and attributes required of the role-holder and that this is not personal to the current role-holder.

Elected or selected representatives reflect the requirement to have the voice of different stakeholders included in the decision-making. The number of elected or selected representatives should be considered in the context of duties and decision-making authority of the body and ensuring the right balance of expertise.

Each individual member should have a clear understanding of what they are bringing to the membership and how they are expected to contribute to the fulfilment of duties and decision-making responsibilities.

The term "representative" is important to consider. Are members attending as individuals bringing specific expertise, or are they attending on behalf of a stakeholder group? This is for each provider to determine but it may influence how decisions are reached – is consultation with the stakeholder group required first, and what information can be shared outside of meetings?

Helpful questions to consider when determining membership include:

- What is the primary decision-making expertise required based on the business of the board or committee?
- What stakeholders are impacted by the decisions of the board or committee and how will their voice be included in the decision-making?
- In respect of each proposed member, should they be elected, selected or ex-officio?
- Is membership sufficiently diverse to avoid group-think and prevent a dominant perspective?
- How might the inclusion of independent or external member(s) strengthen this body?
- If members are elected or selected, what is the period of tenure and how are they elected or selected?

[14] Note: In smaller providers, an individual may occupy more than one role, e.g., the Network Manager may also act as the Technical Support Officer in the above example.

- Is there potential for conflict of interest between individual roles or where membership of more than one body applies. If so, how might this be managed?

16.5. How is conflict of interest avoided?

A first step in addressing conflict of interest is being able to identify it. It is important in planning a governance structure that there is a clear, agreed definition and understanding of what constitutes a conflict of interest. Consideration should be given to both actual conflicts of interest and perceived conflicts of interest.

Factors to take into consideration when looking to implement a governance structure that avoids or limits the potential for conflict of interest include ensuring the membership of a board or committee is not largely a duplication of another entity within the governance structure. This is particularly important to make sure the higher authority is not effectively approving its own work that it completed as part of the body responsible for development. Similarly, academic decision-making bodies should not largely duplicate commercial decision-making bodies. This is to ensure that academic decision-making is influenced by matters of academic standards and integrity and is not unduly influenced by commercial imperatives but also ensuring that the same individuals are not tasked with having to prioritise academic imperatives over commercial ones, or vice versa. It is reasonable that there may be some overlap in membership but ideally this should be minimal. Where this is the case, arrangements for managing conflicts of interest should be documented.

Conflicts of interest can also arise where an individual has specific responsibilities as part of their role within the provider and then they are appointed to a specific committee. This can result in situations where the individual in their role is **then reporting to themselves** as a chair of a committee, for example, or situations that result in the individual being involved in adjudicating on their own decision-making.

> **Example of conflict of interest based upon prior involvement in the case**
> A Head of Department is identified as the individual to whom formal complaints should be referred in the first instance with a view to resolving the complaint at this stage. If unresolved, it progresses to a Complaint Committee Hearing. Appeals against the decision of the Complaint Committee are heard by the Complaint Review Committee and among the membership of this committee is the Head of Department.

Appropriate delegation of responsibilities provides a strong framework for the avoidance of conflict of interest, whether it is actual or perceived. However, there will always be situations where conflict of

interest may arise. It is important to consider how such matters will be dealt with. Depending on the circumstances, it may be that simply declaring the conflict is sufficient. In most cases it will warrant the removal and or replacement of the conflicted individual in any decision-making specific to the matter in which the conflict has arisen.

Helpful questions to address avoidance/minimisation of conflict of interest when establishing a governance framework include:

- Is there sufficient diversity in the membership of different bodies?
- Could alternative members be proposed to reduce overlap in membership between bodies responsible for development and bodies responsible for approval?
- Could alternative members be proposed to reduce overlap in membership between academic and commercial decision-making bodies?
- Could additional members be proposed to approving bodies to reduce the potential for conflict of interest?
- Are there potential conflict of interest situations arising through the practical application of QA policies and procedures where individual roles and responsibilities relate to and interact with the role and responsibilities of governing bodies?
- What mechanisms are in place to identify, declare, and remove conflicts of interest?
- Is a conflict of interest policy and declaration required?

16.6. How is cohesion ensured within the wider governance structure?

Getting separation of authority right is essential to protect standards and integrity but being too separate is a cause for concern that places the governance in a position of risk. It is important to consider how the different aspects of the governance structure will relate to and communicate with one another. It is not the case that they all need to communicate with each other, but the relationships should be clear. This includes how the academic and commercial entities relate and communicate. The evidence of this in practice should be clearly articulated within QA procedures, which outline the steps of the process and how this engages with different parts of the governance structure. For each body it is important to consider the following questions:

- Who does the body report to?
- How does reporting happen and at what frequency?
- How is feedback received from the higher authority?
- Are there other bodies to which the work of this body relates and, if so, how is duplication prevented and integration ensured?

16.7. How can externality be embedded into the governance structure?

Externality can feature at any and all levels within the governance structure and can take many forms. Good practice recommends the use of externality in the higher decision-making authorities. Generally, this would refer to the Academic Council / Committee and the Governing Authority. As is the case in determining membership of any board or committee, the extent of externality and the nature of the external expertise sought should be reflective of the business and decision-making authority of the board or committee in question and the size and scope of provision of the provider. Providers should also give consideration to the desired scale of the board or committee to best serve the provider's needs.

Increased membership brings the benefit of diverse expertise and a range of perspectives but where membership becomes too large it can be unwieldy and difficult to retain focus. Voting rights and managing dissent become a key matter for consideration in such cases, but the general operation of a meeting and completion of business can become a challenge, especially where membership is unnecessarily large.

Externality can be introduced through the engagement of high-level expertise, often in the role of chair or non-executive member / director, or through increasing practitioner expertise from outside the provider such as lecturers, recruitment and admissions officers, librarians, student support officers, online learning experts. There is no set rule on how many external members should be engaged, in what role they should be engaged, and for what duration they should be engaged. It does, however, need to be apparent that the provider has considered these factors and that the approach taken ensures that the externality employed is sufficient to influence and inform decision-making. Getting a good balance will bring an alternative perspective but will not outweigh the internal expertise and provider strategic and operational knowledge that is imperative to safeguard the management of the provider. Any external member needs to know their input is considered significant and valued and clearly see that it informs decision making. A structure that allows for simply out-voting or over-ruling external members must be avoided. Questions to consider include:

- What are the strategic intentions, mission and vision of the provider and how might externality strengthen the potential to fulfil these?
- At what levels in the governance structure would externality bring greatest value?
- What expertise is absent or limited within the current memberships that could be strengthened by externality?

- What external stakeholder groups influence provision and practice within the provider and how might these be represented in the governance structure?
- Where could externality help alleviate concerns relating to group-think or potential for conflict of interest?
- How could externality assist in overcoming issues of provider capacity to ensure adequate separation of academic and corporate governance?

Detailed consideration of the factors outlined should greatly assist in establishing a governance structure that ensures appropriate separation of corporate and academic governance, utilising relevant expertise for the different stages of decision-making, avoiding conflict of interest and demonstrating good practice in the use of externality.

In addition to the formal engagement of externality in governance, which should see consistency of membership for a stated minimum period, providers should also be open to engaging occasional externality for specific purposes outside of governance arrangements. This may include, for example, the appointment of independent consultants to implement or evaluate a project. Such arrangements are at the discretion of the provider but provide a means of securing specific expertise on an occasional basis when there is no requirement / justification for it on a more permanent basis.

17. CHALLENGES FOR THE MICRO-PROVIDER[15]

Micro-provider is the term being used within this document to describe a particular category of provider offering programmes leading to QQI awards. The micro-provider is usually a sole trader or partnership, often a small family business, that typically has no other staff or an exceptionally limited number of staff. Such providers often rely on the use of third-party contractors or part-time tutors to deliver their programmes. The programmes of these providers are also typically (though not always) short programmes, often only a few days or a few weeks in duration, offered at regular intervals throughout any given year.

Implementation of governance arrangements for the micro-provider can bring about specific contextual challenges as a result of the limited number of staff and the need to have sufficient separation between academic and commercial decision-making. Given the duration of programmes, the inclusion of learners on governance committees is a further complexity.

[15] This term is being used for the purposes of this document only to describe very small providers, including sole traders. The term is not derived from legislation or QQI policy or criteria.

As with all providers, micro-providers are reminded of the requirement **to interpret** and apply the QA Guidelines in **a context-specific** manner. It is not appropriate to look at small, medium or large providers and consider how their models of governance can be replicated in a micro-provider. The unique context of the micro-provider should be reflected in the model of governance implemented. The micro-provider must still satisfy the minimum requirements for good governance, but the governance structures and arrangements may look very different. As stated in the Statutory QA Guidelines,

> *Where a provider's scale is such that it cannot support internal committees, alternative arrangements are put in place to ensure objective oversight.* [16]

17.1. Effective governance structures within a micro-provider

As the micro-provider has a small personnel, it is not possible to establish a Governing Authority and an Academic Council / Committee with the degree of separation required without drawing significantly on external parties. The provider needs to consider what external expertise is required and the best means of securing this.

Implementing externality does not require a provider to essentially hand-over the operating of their business or exposing themselves to risk from competitors. Externality should add value to the business and minimise risk. The nature of the external expertise sought should be determined by the provider based on their needs. A gap analysis is a useful means of determining the nature of the expertise required.

17.2. Commercial oversight and the micro-provider

Externality in commercial governance is considered good practice in governance and can be highly beneficial to any provider, bringing alternative perspectives and additional expertise as well as reducing the potential for group-think. Satisfying the requirements in respect of commercial governance structures for the micro-provider can bring the added challenge of separating the strategic from the operational when the management team and the Governing Authority are one and the same. This is less likely to be the case for a larger provider. While all providers are encouraged to include externality in commercial governance, the micro-provider needs to ensure the externality is sufficient to evidence the appropriate separation of decision-making and approval, and identification,

[16] *Statutory Quality Assurance Guidelines developed by QQI for use by all providers*, April 2016/QG1-V2 © QQI, p.5.

management and mitigation of risk. Potential approaches to increasing externality in commercial governance which may be beneficial for any provider, but particularly the micro-provider include:

- Appointing (a) non-executive director(s) to the Board/ governing authority;
- Appointing (a)non-executive advisor(s) (not directors) to the Board/ Governing Authority, thereby removing the statutory obligations that are attached to directors;
- Establishing advisory committees, with predominantly external independent membership, to provide expert guidance to the Governing Authority, e.g. Audit and Risk Advisory Committee or a Strategic Advisory Committee.

These examples are illustrative and not intended as definitive or exhaustive. Each option has advantages and challenges. It is for the provider to determine which will be the most effective approach for them.

17.3. Academic oversight and the micro-provider

Establishing fit for purpose academic governance structures is where the bigger challenge tends to arise for the micro-provider. This arises from a need to avoid undue influence of commercial decision-makers, the limited availability of internal persons to join the academic oversight committee and the need to ensure the committee is sufficiently well informed of the specific context and operations of the provider in question. Understandably, the membership of the Academic Council / Committee is given detailed consideration in the approval of quality assurance arrangements. It is an area of governance which is well served by the use of externality and where academic standards are protected as a result of increased externality. For the micro-provider, the challenge of separating the producing / developing of materials and making decisions from the approval of those materials and decisions is a particular challenge in academic governance. This can only be resolved through securing independent, external membership with the requisite skillset, insight and expertise.

While externality is a requirement for all providers, it is not mandatory that all providers have an independent, external chair of the Academic Council / Committee. However, this is more likely to be a requirement of a micro-provider. The rationale for this is that the persons internal to the micro-provider are more likely to have a commercial interest in decision-making or be perceived to be unduly influenced by those with a commercial interest.

Additional membership of the Academic Council / Committee needs to ensure that those engaged in managing quality assurance, managing programmes, academic administration, academic personnel (tutors/ lecturers/ librarians) and learners are also represented. This representation can be acquired through a combination of internal and external members. There is no one-size-fits-all approach to this. The provider needs to consider what will best meet its needs based on personnel available and the

level and extent of expertise available. Bearing in mind the size of micro-providers, this may well involve an individual fulfilling a number of roles/functions at the same time. This is not unusual, but care must be taken that such individuals, in their various roles, do not report to themselves in another role or participate in making decisions in one role, which they then have the authority to overrule in another role. Well thought out roles and responsibilities for individuals and terms of reference for any committees can eliminate such problems. In a micro-provider it is likely that there would only be a small number of such committees and - depending on the size of the provider - maybe just one, and that such committees would service several functions.

External expertise can be sought from other providers (public sector or independent), professional bodies, statutory bodies, charities, employers or employer organisations, or the appointment of independent consultants. External expertise does not have to be discipline specific and in many cases bringing non-discipline expertise to complement the in-house expertise can be increasingly beneficial.

The approach to externality can differ between providers. The following are **suggestions** for consideration that may be more appropriate to the micro-provider:

- ⇒ Private arrangements between the provider and individual external experts;
- ⇒ A collaboration with one or more provider to establish an oversight committee that serves all collaborating providers;
- ⇒ A relationship with an established provider (IoT, TU, ETB or medium / large scale independent provider) to facilitate the ongoing provision of external, independent membership of committees;
- ⇒ Any combination of the above.

The best approach should be informed by the needs of the provider, the nature of the provision, the experience and expertise already available, existing relationships and future strategic plans. For some providers, having expertise on the needs of the geographic region may be of higher value than having expertise in technology-enhanced learning, for example. Expertise does not have to be secured locally, it can be national or even international, but how full and proper engagement will be secured in such arrangements needs to be evidenced.

17.4. Learner representation and the micro-provider

Learner representation is an important aspect of governance as without this the learner perspective in decision-making is, at best, based on assumptions or, at worst, totally ignored.

Securing consistent learner representation can be a challenge for any provider as it can be difficult to secure nominations, impossible to guarantee the commitment of the elected / selected learner member, and uncertain whether the learner will remain for the duration of the tenure. However, for the micro-provider this challenge is further exacerbated by the fact that learners are registered with the provider for a particularly short period of time. In some cases, learners may only be registered for a period of days or weeks.

Micro-providers are encouraged to consider how they may be able secure learner representation in their governance structures in a meaningful way which works for their organisation. Possible options include, but are not limited to:

- ⇒ Allowing for a period of tenure to include the time registered as a student plus a stated period thereafter;
- ⇒ Appointing recent graduates for a stated period;
- ⇒ Appointing learners from an alternative provider.

While a learner may only be a registered learner of a provider for a specified period, their experience as a learner, and the insight that may bring, remains valid for longer. It is therefore justifiable for the student voice to be represented by a recent graduate or continue to be provided by a learner representative once they graduate. Providers who wish to utilise this approach should ensure their terms of reference and membership outlines the maximum period of membership and whether a graduate member can be elected / selected regardless of whether they served as a student member or only if they are continuing from being a student member.

It is ideal that learner representatives have a sound understanding of the provider's operation, provision and support services obtained from being a student of the provider. However, a learner from a different provider can also bring insight of value. Where possible, the learner representative should have a learner experience that compares well to learners of the provider. For example, a part-time learner on a level 5 vocational programme, or a full-time craft apprentice, or a learner following a level 6, 7, 8 or 9 micro-credential. While this may not always be possible, providers should attempt to ensure as much alignment as possible.

18. PRACTICAL APPLICATION OF GOVERNANCE IN QUALITY ASSURANCE POLICIES AND PROCEDURES

A provider's quality assurance policies and procedures should demonstrate practical application of the governance structure. It is not unusual for a provider to have developed a governance structure which appears to satisfy the requirements of the core QA guidelines, only for a panel to then identify instances where procedures do not align with the duties and responsibilities of various boards and committees or conflicts of interest arise as consideration has not been given to individual roles and responsibilities. While every aspect of a provider's QA must evidence practical application of governance, the following section will address areas in which evaluation panels have identified issues arising in practical application. These are also the areas that would generally be of greater risk to a provider's reputation, to academic standards and integrity, and some of which could result in legal proceedings being brought against the provider by stakeholders. These matters have implications for potential learners, the provider, QQI and the wider sector.

18.1. Practical application of governance in programme development and approval

Regardless of the size of the provider, the scope of the provision or the types of programmes being developed, there should be a clear procedure evidencing the application of the governance structure in each stage of the programme development process. It is reasonable to expect such a process to include:

- An initial proposal being developed;
- Approval or rejection of the proposal from both an academic and commercial perspective;
- The design and documenting of the programme, its curriculum and assessment and all associated resource requirements for the management and support of the programme and learners, informed by stakeholders and research;
- Independent consideration of the proposed programme documentation;
- Approval to progress the programme application to validation from both an academic and a commercial perspective.

As the development of a new programme involves the design and creation of a proposal and of the programme itself, individuals or committees involved in those development aspects cannot be a part of the decision to approve them. Similarly, as there are both academic and commercial considerations to whether a programme should be developed and approved, the bodies responsible for each of these elements should be distinct from one another, and absent of conflict of interest. The criteria that each governance committee uses to make its judgements, along with the potential outcomes of their decision-making, must be clearly documented within the provider's QA policy for programme

development. This should reflect what is included in the terms of reference for the committees concerned.

Example of scope of decision-making

A provider's QA policy outlines Academic Committee/ Council reviewing new programme proposals and their decision being forwarded to the Management Board as the ultimate decision-making authority. The QA policy should be clear that the decisions of Academic Committee/ Council are limited to:

1) Recommend the approval of the proposal (including with conditions),
2) Not support the proposal,

or

3) Request additional information.

The decisions of the Management Board are:

1) Approve the proposal,
2) Reject the proposal,

or

3) Request additional information.

The terms of reference therefore will indicate that Academic Committee/ Council is responsible for making a recommendation to approve to the Management Board and the Management Board is responsible for approval of new programme proposals.

Providers should ensure that there is a comparable process for the approval of non-accredited programmes, recognising that the application of good governance in new programme developments is to protect the provider and its learners. Resources, staff, support services and current learners can be impacted by the introduction of a new programme regardless of whether it is accredited or not.

When evaluating procedures for practical application in respect of new programme development, it is helpful to consider the following questions:

- Are the responsibilities for development and approval clearly defined and appropriately assigned?
- Does membership of the different boards and committees prevent or minimise the potential for conflict of interest?
- Is there a clear distinction between academic and commercial decision making, including specific criteria against which judgements are made?

- Are the specific outcomes available to each board or committee clearly articulated?
- Is it clear what the next steps are in the case of each outcome at each stage?
- Is it clear where the ultimate authority lies for the decision to develop a new programme?
- Is the process for approval of non-accredited programmes clear?

18.2. Practical application of governance in assessment, including appeals

Separation in decision-making is essential to protect the integrity of the assessment process. Both in terms of academic decisions being separate from the influence of commercial considerations, and also in ensuring the separation between those who develop material or initiate decisions and those who approve material or endorse / overrule decisions. **Unilateral decision-making should be avoided, as should reciprocal arrangements.** These practices can call into question the legitimacy of decisions due to perceived conflict of interest and absence of genuine independence or impartiality.

Transparency is a vital component in evidencing integrity of academic decisions and therefore a provider's QA policies on assessment must clearly articulate the different stages of decision-making and the different parties involved.

Academic decisions must be progressed through the applicable parts of the academic governance structure or be determined by those parties with the authority delegated to them, and at no point should they defer or transfer to commercial decision-making bodies. The Academic Council /Committee must maintain oversight of all academic decision-making either through direct application, delegation to an alternative academic decision-making body such as a Board of Examiners or Appeals Committee, or through monitoring activities and reporting arrangements.

Evaluation panels have experienced instances of conflict of interest in the assessment process where practical application of governance has not been fully considered. Examples include:

- Owners / Directors / Shareholders chairing Boards of Examiners or Appeals Committees;
- Individuals reporting to (or beneath) themselves, e.g., programme leaders being accountable to the Assessment Committee, which is chaired by the Head of Teaching and Learning, who is also a programme leader;
- Individuals approving their own work e.g., policy naming the programme leader as the moderator of grades and not stipulating who moderates the programme leader's grading;
- Academic appeals being referred to non-academic bodies for adjudication;
- Individuals being involved in preliminary decisions and subsequently being involved in approving or judging appeals of those decisions.

When evaluating the practical application of governance in the assessment process, it is helpful to consider the following questions:

- Who designs assessments and who approves them (internally and externally, as applicable)?
- Is there potential for an individual to be responsible for the design and approval of their own assessments?
- Who grades assessments and who undertakes moderation/verification of those grades?
- Is there sufficient independence/impartiality in the assessment moderation/ verification process?
- Is there potential for an individual to be their own moderator / verifier?
- What role or body deals with suspected academic misconduct?
- What role or body determines the outcome of academic misconduct allegations?
- How is the membership of this body determined? Is there potential for members to have had earlier involvement in the process or a pre-existing relationship with the learner which could be perceived to influence decision-making?
- Who is involved in the review / recheck process and is there potential this could involve an individual overseeing or undertaking a review / recheck of their own work?
- What body is responsible for making progression / award decisions and how is the membership determined so it is free from commercial imperatives influencing decisions?
- What body is responsible for hearing appeals against academic judgements? Is this body part of the academic governance structure and is the membership distinct from the body making progression and award decisions and the individuals making the initial assessment decisions?
- Are there clearly documented timelines for the appeals process?
- Are the grounds for appeal documented?
- Who determines whether an appeal satisfies the grounds?
- How does the Academic Committee / Council oversee the different aspects of academic decision-making?
- How has externality been used to strengthen independence in decision-making?
- Where externality is present, is this free from reciprocal arrangements that may be a potential conflict of interest?

18.3. Practical application of governance in disciplinary proceedings and complaints

Similar to the assessment process, transparency and suitable separation of decision-making is essential to protect the integrity of the process in respect of disciplinary matters and complaints. The first stage of separation is clearly defining those matters which constitute academic business and those which are non-academic. It should not be possible for a learner to use the complaints process to circumvent the academic appeals process. Any matter of dispute in respect of an academic decision must be considered through the academic appeals process and in accordance with the clearly defined parameters of that process. In the same way, the disciplinary process should not be used to consider allegations of academic misconduct.

The complaints process should deal with non-academic matters such as those arising from issues relating to access to services, staff performance and conduct, conduct of fellow learners, processes or procedures that are detrimental to a learner, etc. The disciplinary process should deal with matters of learner conduct, including those that arise from investigating complaints under the complaints policy.

To ensure effective practical application of governance in these areas, it is important to map out what the stages of each process will be. From this, the decision-making points can be identified, and responsibility assigned. In the case of complaints and disciplinary matters, good practice requires a multi-stage process that incorporates:

a) Receipt of the initial complaint/ allegation;

b) Potential for resolution through informal means;

c) If not concluded through informal means, investigation of the complaint / allegation;

d) Complaint /allegation hearing and outcome;

e) Appeal;

f) Final resolution (alternative to referral to the Ombudsman as is the case in the public sector).

Complaints and disciplinary matters should be progressed through the commercial governance structure of the provider to prevent any conflict with academic decisions or influence on academic decision-making that may be progressing alongside it.

When a complaint or allegation is received, the individual responsible for formal receipt (a. in the list) can also be the same person who seeks to resolve the matter through informal means (point b. in the list) or this could be delegated depending on the focus of the complaint or allegation. If the matter is not resolved, someone new should then be assigned to investigate the matter. The investigation is the gathering up of evidence and does not involve making a decision. Individuals who are involved in point

a., b., or c. cannot be part of the decision-making at points d., e., or f. Similarly, individuals involved in determining the decision at point d., e., or f. can only be part of the decision-making body in any one of those stages.

Given the level of potential risk to an individual who is the subject of a complaint or against whom an allegation has been made, good practice recommends that the membership of decision-making bodies involved in these processes includes appropriate stakeholder representation. The relevant QA policies should also clearly outline the extent and limitations of decision-making at each stage.

When developing or reviewing QA policies and procedures for complaints and disciplinary proceedings, it is useful to consider the following questions:

- Are clearly defined stages of the process documented, identifying which roles / boards / committees are involved at each stage?
- Is the extent and limitation of decision-making clearly documented for each stage?
- Does membership, or the criteria for membership, prevent the involvement of individuals who may have a conflict of interest?
- Does membership allow for appropriate engagement of relevant stakeholders, e.g., a learner advocate?
- Does the process naturally progress through the commercial governance structure of the provider?
- How has externality been applied to strengthen the impartiality and integrity of decision-making?

APPENDIX 1: Strategic planning

Further and higher education and training providers need to think carefully about how they can best succeed in an uncertain environment. Each provider must make choices and select a strategic position within the sector that gives them the best opportunity to be successful.

Normally, the Head of the Organisation/ CEO/ Provider President will present a draft strategic plan for discussion, amendment, and approval by the Board/ Governing Authority.

This usually occurs following consideration and discussion with the Audit and Risk Committee, which provides an external and independent assessment of the plan.

Responsibility for the strategic plan

However, the process whereby the Board/ Governing Authority approves a strategic plan is entirely within the purview of the Board/ Governing Authority.

What is a strategic plan?

Strategic plans, of necessity, mix insight with imagination and are tailored to the provider's mission, values and culture, and context.

Within today's rapidly changing environment, providers of further and higher education and training must try to 'future sense' and make choices and select a strategic position that gives them the greatest possibility of success. This requires an evaluation of the current state of the provider within the education and training environment and an assessment of its desired (and achievable) future state within a three to five-year horizon. This future state represents the strategic goals of the provider and will determine resource commitments, and the strategic plan indicates what the provider needs to do to achieve that desired state. It should include appropriate metrics to enable a realistic evaluation as to whether the goals have been achieved or not.

Ways in which a strategic plan may be developed

Typically, the Head of the Organisation/ CEO/ Provider President, will work with the executive/senior management team, to develop a draft strategic plan. This is placed before the Board/ Governing Authority for consideration and comment. It is a reserved function of the Board/ Governing Authority to formally approve the plan.

Some education and training providers use a committee of the Board/ Governing Authority (e.g., Audit and Risk) or a joint committee with The Academic Council/ Academic Committee (e.g., strategic development committee) as a way of consulting and commenting in detail on a draft

strategy, prior to the strategy being placed before the full Board/ Governing Authority for consideration and approval.

Elements of a strategic plan

A strategic plan should:

- Be coherent and reasonably brief;
- Address the challenges/risks that have been identified and offer a clear way forward;
- Have a clear focus and a limited number of pivotal objectives;
- Contain a coherent set of actions to achieve those objectives and have assessed and committed to providing the resources necessary in achieving them;
- Be clearly written, easy to explain, and communicated with all stakeholders.

APPENDIX 2

Risk

The Board/ Governing Authority exercises oversight of the provider's risk management and seeks assurances from the executive that key risks have been identified and are being effectively managed.

Risks need to be identified, their impact and likelihood assessed – generally as small, medium or high - and mitigation strategies adopted.

In particular, the Board/ Governing Authority must identify all risks that might threaten the provider's sustainability, ensuring that it has appropriate procedures to identify and actively manage risk.

Risk register

Following identification and assessment of the different risks facing the provider, the executive should compile a risk register. This should list all risks, their likelihood of occurrence and an assessment of their likely, or actual, impact. The register should include information on the actions being taken by the executive to mitigate a risk. The risk register will normally be regularly reviewed by the Audit and Risk committee and the Board/ Governing Authority advised accordingly.

Types of risk

Strategic risks - major decisions relating to the future direction and development of the provider and its sustainability.

Financial and operational risks – may include, *inter alia*,

- poor budgeting and the failure of expenditure controls;
- cost over-runs on major projects involving significant capital expenditure;
- large-scale and complex projects, with tight timelines;
- poor or ineffective procurement and project management;
- high-levels of borrowing and ability to service the borrowing;
- reductions in fee or other income.

Regulatory risks

Changes in legislation or regulation in relation to recognition, granting of awards, collaborative provision, immigration policies, etc.

Market Risks

Changes in demographics, changes in skills needs, competition, modes of delivery, etc.

Reputational risks

Adverse publicity arising from any number of issues, including:

- a failure of academic standards and quality;
- financial dealings;
- matters relating to student well-being and welfare.

What should audit and risk committees review?

Audit and risk committees should review:

- Year on year key data sets that relate to the student experience, noting where the provider sits against benchmarks, such as: recruitment and average undergraduate CAO entry points, drop-out rates and non-submission rates for students, degree classifications;
- Overall student satisfaction from provider surveys;
- Teaching satisfaction from provider surveys;
- Outcomes of external and internal Quality Review Reports;
- Outcomes of annual report from management and/or the academic council summarising the above key points.