



**University of London
External System Academic Committee**

External System Institutions Sub-Committee

The fourth and fifth meetings of the Institutions Sub-Committee took place on 6 October and 11 December 2008 respectively. The ESAC is invited to consider the attached Minutes of the meetings and in particular note ISC's decisions and recommendations, as summarised below.

Attention is drawn to ISC 5 Minutes 185-195, describing ISC's discussions on the subject of models for financing, picking up upon the comments made at ESAC in this regard (cf: ESAC minutes 312-313).

ISC4:

Following discussion of transitional arrangements, and regarding the introduction of the framework and the duration of approval, the IS-C resolved:

- 148 That the Dean will invite institutions to be Affiliate or Registered Centres, in accordance with the categorisation provided and agreed. The date and nature of the letter is to be determined.**
- 149 That following the Dean's invitation, Affiliate Centres will be inspected within 5 years, and Registered Centres will be inspected within 3-5 years.**

Regarding the form of agreement appropriate to relationships with 'prospective' institutions, it was resolved:

- 150 That a standardised MOU be employed for prospective institutions, rather than 'letters of intent', and that the production of such should be routinely reported into Committee.**

ISC5:

- 172 Subject to [...] amendments, the minutes [of ISC4] were approved.**

Business Plan: minutes 177- 184

Regarding the updated indicative business plan, the IS-C considered several models for charging institutions, as well as a budget for development activity and resolved the following:

- 182 To remove the £50,000 allocated to competence and capacity building from the business plan, but to leave the issue of Training and Development on the Agenda for February.**
- 183 To explore avenues for CDE engagement with development of a programme of competence and capacity building in institutions.**
- 184 To further endorse the following detailed assumptions:**
- **Inspection fee for incorporated AC = £3,300**
 - **Inspection fee for incorporated RC = 2,300**
 - **Inspection fee for new AC = £4,000**

- **Inspection fee for new RC = £2,750**
- **Lead College staff stipend for inspection and all away time = £275 per diem.**
- **An assumed average airfare of £600 return journey**
- **Staff subsistence of £30 per diem (subject to review)**
- **Staff accommodation average costs of c£75 per diem**

Models for Financing: Minutes 185-194

Picking up upon the comments made at ESAC in this regard (cf ESAC minutes 312-313), the IS-C discussed the available models and resolved:

- 192 To endorse model 1a, whereby for the first full cycle of approvals and inspections the costs of the inspections will be borne by the External System for those institutions invited into the institutions framework as Affiliate Centres or Registered Centres.**
- 193 To endorse the principle whereby incorporated institutions in the first instance should be charged half the inspection fee, with the External System covering the cost of travel, accommodation and subsistence (and seeking to pool these costs as much as possible); whereas new institutions would be charged both the inspection fee plus full costs of travel, accommodation and subsistence (unless existing travel plans permit the pooling of these latter costs with other institutions).**
- 194 The Sub-Committee recognised that this issue was of central concern, and potentially affects the viability of the entire framework. It resolved to express the view that failure to resolve and clarify this issue by the end of February would severely jeopardise the framework's introduction to deadline.**

Procedures and Documentation for Approval, Monitoring and Review: Mins 196-204

IS-C received a paper recommending procedures and documentation relating to various stages of Sub-Committee business, as it concerns: *A: First approval during transition; B: First approval of new institutions; C: Monitoring of institutional progress; D: Reapproval of relationships; E: Amending the list of approved programmes; F: Termination of relationships.* The IS-C resolved:

- 202 On condition of the incorporation of [...] changes to the Sub-Committee's satisfaction, that the procedures outlined in parts A, B, D, E and F be endorsed.**
- 203 That the forms for annual and course monitoring be reviewed by the Quality Team, EISA, and returned to the February meeting of ISC.**
- 204 that the Secretary would arrange for brief written submissions from colleagues regarding specific institutions, and would bring the two annexes to ISC6 with final allocation of institutions to categories RC and AC and supporting arguments from colleagues.**

Reference Guide: Minutes 205-209

In consideration of various matters arising in the production of a guide for institutions seeking approval under the new framework, IS-C resolved:

- 206 That 'Institutions Policy Framework' should remain the title for the new framework.**
- 207 That institutions would need to seek approval for each set of separate premises where teaching is to take place.**
- 208 That pass rate targets would not yet be employed on a system wide basis, as there is currently not the infrastructure to support this.**
- 209 That the reference guide would be finalised in the light of these agreements, and circulated after consultation with the Quality Team, prior to final approval by ISC.**

MOAs and MOUs: Minutes 210-215

IS-C received templates of MOAs and MOUs to be employed under the new framework, and resolved:

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| 213 | that the MOA be modified to use Arbitration as a less time consuming and costly avenue for dispute resolution than the English Courts. |
| 214 | To revise the MOU, building in a sense of mobility, but abandoning any language which could lead to a misunderstanding (eg: "working together with the University to enhance learning opportunities for External students") |
| 215 | It was agreed that the MOA and MOU be condensed and revisited in February following further consultation. |



External System Institutions Sub Committee

Monday 6 October 2008

MINUTES

PRESENT: Dr David Brownrigg (Gold), Mr John Dickens, Mrs Rosemary Gosling (LSE), Professor Kate Malleson (QMUL), Mr John McConnell, Mr Simeon Underwood (LSE) (Chair), Mrs Stephanie Wilson

IN ATTENDANCE: Mrs Katherine Bull, Mr Michael Davis (Sec)

APOLOGIES: Dr Tony Cornford (LSE), Professor Wayne Morrison (Laws), Dr James Busuttill (QMUL)

ANNOUNCEMENTS

136. There were no announcements

MINUTES

Received and approved:

137 ISC 4/1, Minutes of the third meeting of ISC, 1 May 2008

MATTERS ARISING:

Received:

139 Oral report on reception of ISC proposals at ESAC and Board.

Noted:

140 ESAC and subsequently the External System Board had accepted the proposals in principle, congratulated ISC on the progress made and looks forward the work being fleshed out.

MATTERS FOR DISCUSSION

Implementation, communication and development

Received:

- 141 ISC 4/2, containing reports on progress of development activities in respect of ongoing communication and consultation; development of letters for institutions; approaches to incorporating existing and prospective institutions; incorporation of PTT and other agreements; scheduling and planning future Committees and order of business.

Noted:

- 142 Committee discussed communication activities undertaken, and were updated on work ongoing with the Malaysian and Pakistani education authorities, in addition to the QAA data collection exercise shortly taking place at an institution in Mumbai. Committee requested a fuller account of the preliminary discussion and consultation with institutions.
- 143 Proposed transitional arrangements were discussed, particularly the procedural proposal to not require institutions to make an initial case for allocation unless they wish to be reallocated higher within the framework. Some refinements to the process were suggested and discussed.
- 144 Overlap with PTT inspection obligations were noted and it was confirmed that all PTT arrangements are understood as ongoing as normal until academic year 09/10. A review of 'PTT' inspection and monitoring arrangements will be undertaken by ISC in its summer term meeting 2009.
145. Arrangements for payment to Colleges vis a vis diploma teaching arrangements were discussed and it was confirmed that such budgetary matters would be considered at ISC5, following discussion with Course Directors on their individual, different, approaches to institution and capacity building.
- 146 It was noted that in addition to the MOA for Affiliate and Registered Centres, a template MOU would be prepared for those institutions with whom we are exploring the possibility of applying for inclusion in the framework. Members were concerned that there should be clear constraints, checks and balances and a clear rationale for the production of some documents, lest we otherwise appear to be running the old informal system in parallel to the new formal system.
- 147 ISC noted that a range of reference and guidance materials are being drafted for consideration at ISC5, and further agreed to defer discussion of Committee dates and future business to ISC5, in order for procedural refinements discussed to be incorporated.

Agreed:

- 148 That the Dean will invite institutions to be Affiliate or Registered Centres, in accordance with the categorisation provided and agreed. The date and nature of the letter to be determined.**
- 149 That following the Dean's invitation, Affiliate Centres will be inspected within 5 years, and Registered Centres will be inspected within 3-5 years.**
- 150 That a standardised MOU be employed for prospective institutions, rather than 'letters of intent', and that the production of such should be routinely reported into Committee.**

Procedures

Received:

- 151 ISC 4/3, a paper with recommended procedures relating to approval, monitoring, reapproval and termination of arrangements. This paper was couched in overly complex terms and Committee requested it be revised and resubmitted at ISC5

Noted:

- 152 Committee's attention was drawn to some minor amendments to the approved criteria. It was agreed these amendments were sensible and their inclusion was therefore approved. Improvements to layout and presentation were requested, and in addition the further inclusion of a criterion that Affiliate Centres 'show an evaluative and reflective approach to activities'.
- 153 Committee noted the content of the SED but wished to defer to ISC5, whilst turning attention to the abbreviated version, which was broadly accepted by Committee, and would be refined and revisited at ISC5, along with monitoring procedures and pro forma documents.
- 154 With regard to the constitution of visiting panels, it was urged that our approach should not prove too costly to institutions and a degree of flexibility should be built in to accommodate local circumstances. It was agreed that normally panel membership should include appropriate Lead College staff plus a Chair and a Secretary, but that the numbers on a panel could be as few as two, if ISC determines that our level of experience and confidence permits. It was agreed that panels for inspections would be determined by ISC, drawn from a pool agreed annually. It was further agreed that Lead College staff shall not be in the majority if inspecting their own Lead College's provision, and that a maximum of 20 visits globally may be undertaken in any one year.

Indicative Business Plan

Received:

- 155 ISC 4/4, an indicative business plan, reworked following previous meeting

Noted:

- 156 Extensive debate followed as to whether staff development should be centrally led, with Colleges bidding to the Centre for resource. Whilst some clarification is sought as to whether the Dean or ESAC should decide on allocation of finance for such matters, it was agreed that Dr Brownrigg would prepare a short paper on a recommended approach.
- 157 Various retainer and application charges to be levied on institutions were noted and accepted.
- 158 Funds for fellowships and scholarships were considered inadequate and revised upward to £50k, in a 2:1 ratio respectively.
- 159 Members were uncomfortable with the levels of staffing proposed.
- 160 Further consideration should be given to the development of the business plan and subsequent proposals brought before ISC5.

MATTERS FOR REPORT

- 161 An oral report to be received regarding development of the SITS database was deferred to a future meeting.

DATES OF FUTURE MEETINGS

- 162 The next meeting is scheduled for Thursday, 11 December.



External System Institutions Sub-Committee

Thursday 11th December 2008

MINUTES (unconfirmed)

PRESENT: Dr James Busuttil (QMUL), Dr Tony Cornford (LSE), Mr John Dickens, Mrs Rosemary Gosling (LSE), Professor Kate Malleson (QMUL), Mr John McConnell, Professor Wayne Morrison (Laws), Mr Simeon Underwood (LSE) (Chair), Mrs Stephanie Wilson.

IN ATTENDANCE: Mrs Katherine Bull, Mr Michael Davis (Sec).

ANNOUNCEMENTS

168 The Chair introduced the meeting by noting that the Sub-Committee's initial development work establishing and underpinning the systems and financing of the new framework was nearly complete. The meeting sought to establish consensus on various outstanding aspects of process and the forms of agreement. Individual institutional cases would be dealt with at the next meeting of ISC (February). Likewise, consideration of paper ISC 5/7, a report on communications with institutions regarding the forthcoming policy changes, would be deferred to that meeting.

MINUTES

Received:

- 169 The minutes of the fourth meeting of ISC (Monday 6 October 2008).
- 170 It was noted that Dr Brownrigg had mistakenly been omitted from those present. In addition, a minor amendment was requested to minute 154 to reflect the global scope of inspection visits to be undertaken.
- 171 Some discussion followed on minute 144 regarding the incorporation of Permission to Teach arrangements. It was reiterated that diploma teaching institutions would not be a sub category *per se*, rather current arrangements would segue into future arrangements following appropriate review. The particular and necessary circumstances of diploma visit arrangements were noted, and it was acknowledged that it is the Colleges' expectation that inspection arrangements should proceed on an annual basis. As such it was agreed to reword minute 144 to include a review of 'PTT' inspection and monitoring arrangements by ISC in its summer term meeting 2009.

Resolved:

- 172 **Subject to the above amendments, the minutes were approved.**

MATTERS ARISING

Received:

- 173 Extract from the unconfirmed minutes of ESAC (Friday 10th October 2008).
- 174 The Sub-Committee noted that ESAC had queried whether there is a system to recognise improving centres. It was stressed that the system which was being developed should be

flexible, based on ranges rather than time intervals, and would also present the possibility of upgrading to AC status.

- 175 ESAC minutes 312 and 313 regarding self financing were noted. It was agreed to defer consideration of this item until later on in the meeting (minuted below).
- 176 The Sub-Committee also took note of minute 311, wherein ESAC expressed concern as to the seemingly leisurely timetable for full transition. It was noted that proposed annual monitoring arrangements should suffice to reassure ESAC in the interim, but also noted that this in turn reinforces the need for development of SITS data gathering and information management sooner rather than later.

MATTERS FOR DISCUSSION

Updated indicative business plan

Received:

- 177 ISC5/2, a paper on alternative models for financing, and the updated indicative business plan. Being revisited for the third time by the Sub-Committee, the paper distils a significant quantity of data and makes various notable assumptions, including the introduction of an Application Handling Fee for new entrants set at £500, an annual retainer fee for all institutions of £500, costs for training and capacity development and EISA interventions, a reapproval fee of 50% the inspection fee, and a reduced inspection fee for incorporated institutions compared to that levied for new entrants. The paper offered three possible models for the Sub-Committee's consideration:
- 1a: Building on discussion and recommendations arising out of IRG and ISC and assuming that in the first full cycle of approvals and inspections the costs of the inspections will be borne by the External System for those institutions invited into the institutions framework as Affiliate Centres or Registered Centres.
 - 1b: Seeking to offset expenditure by charging the inspection fee only to institutions. The travel, accommodation and subsistence costs would be borne by the External System. Any residual deficits could either be absorbed or further offset by a very modest increase in student fees.
 - 1c: A model whereby inspection costs are weighted according to OECD rankings, and shared between the University and the institution. The travel, accommodation and subsistence costs would be borne by the External System. Any residual deficits could either be absorbed or further offset by a very modest increase in student fees.

Noted:

- 178 The Sub-Committee noted the position of, and outlook for, Sterling. Whilst a positive factor in some respects, this will inevitably impact upon per diems, which may require adjustment. The stipend is currently set at £275 per diem for Lead College staff.
- 179 Lengthy discussion focussed upon the £50k budgeted for competence and capacity building, and the £10k allocated for EISA administrative spend. It was noted that the Laws administrative expenditure in implementing the tutor enhancement scheme is quite extensive. It was furthermore observed that some institutions perceive such activity as unwarranted interference.
- 180 As evidenced by the current situation in Malaysia, the need to demonstrate some oversight of teaching and visible support for competence and capacity building was acknowledged by the Sub-Committee, although it was felt that such activity is considerably less relevant in the postgraduate arena. Whilst such activity therefore will remain devolved to Colleges at programme level, it was maintained that some central oversight and coordination would be valuable. A role in this area for the Centre for Distance Education could usefully be explored.
- 181 Given the potential for problems distributing such a modest sum fairly, work already underway at College/Consortium level (eg the aforementioned tutor enhancement scheme), and the importance of treating institutions equitably, it was agreed that such a small sum could not

possibly constitute an alluring incentive for institutions, and as such may not achieve its desired objective.

Resolved:

- 182 To remove the £50,000 allocated to competence and capacity building from the business plan, but to leave the issue of Training and Development on the Agenda for February.
- 183 To explore avenues for CDE engagement with development of a programme of competence and capacity building in institutions.
- 184 To further endorse the following detailed assumptions:
- Inspection fee for incorporated AC = £3,300
 - Inspection fee for incorporated RC = 2,300
 - Inspection fee for new AC = £4,000
 - Inspection fee for new RC = £2,750
 - Lead College staff stipend for inspection and all away time = £275 per diem.
 - An assumed average airfare of £600 return journey
 - Staff subsistence of £30 per diem (subject to review)
 - Staff accommodation average costs of c£75 per diem

Models for Financing

Noted:

- 185 In discussion of the various models presented in the paper, the Sub-Committee's attention was drawn back to 312 and 313 in the unconfirmed minutes of ESAC:
- 312 *The ESAC discussed the financial arrangements to support the new third party institutional arrangements. The view was expressed that some institutions are well-capitalised and therefore able to afford relatively high fees. There was a suggestion that the IS-C should aim to make the activity financially sustainable in the longer run while recognising that substantial financial subsidy will be needed for some years: notwithstanding that arrangements with third party institutions are business critical we should work towards a position where the service is paid for by the users rather than through a fees increase for all students, bearing in mind that some students do not study at institutions.*
- 313 *In concluding the discussion the Chair of ESAC expressed an opinion that, although aspiring to be self-financing, the new process must be robust, transparent, appropriately objective and ensure full reporting through the External System governance.*

Noted

- 186 The mooted principle that all inspection costs should be met by those institutions included in the framework was met with considerable disquiet by the Sub-Committee.
- 187 It was clarified that the ESAC and its Chair had seen from previous minutes and/or papers that the Sub-Committee had been discussing financial arrangements for some time previously. The Sub-Committee was therefore concerned that the view recorded in the ESAC minute had emerged at such a late stage.
- 188 The Sub-Committee further noted the minutes of the Board of the External System, wherein it is stated that "in 2009/10 there will be an expenditure of £200k" for introduction of new policy arrangements concerning teaching institutions. The Sub-Committee understood this minute to reinforce model 1a.
- 189 The definition of the 'users' referred to in ESAC minute 312 was queried. Given that the External System's relationships with institutions are clearly of mutual benefit to institutions and to the External System alike, as such all parties could be seen as 'users'. Moreover, it

was strongly argued that institutions generate the finance for the External System: without institutions there would arguably be no External System. By engaging in relationships with institutions the External System ensures its revenues, and therefore such activity is, by definition, self financing. The Sub-Committee feared that any attempt to recoup all inspection costs from incorporated institutions would be imprudent, and potentially damaging to the institutions, and therefore, by extension, to the long-term health of the External System.

- 190 It was suggested that some financial model could possibly be struck on the basis of economies of scale and that everything done under the framework will become a core EISA function. However it was pointed out that some institutions may not want to participate in the framework if it comes at unreasonable cost, and moreover some institutions do not make massive profits.
- 191 This matter would now go forward to the ESAC and the Finance Committee.

Resolved

- 192 **To endorse model 1a, whereby for the first full cycle of approvals and inspections the costs of the inspections will be borne by the External System for those institutions invited into the institutions framework as Affiliate Centres or Registered Centres.**
- 193 **To endorse the principle whereby incorporated institutions in the first instance should be charged half the inspection fee, with the External System covering the cost of travel, accommodation and subsistence (and seeking to pool these costs as much as possible); whereas new institutions would be charged both the inspection fee plus full costs of travel, accommodation and subsistence (unless existing travel plans permit the pooling of these latter costs with other institutions).**
- 194 **The Sub-Committee recognised that this issue was of central concern, and potentially affects the viability of the entire framework. It resolved to express the view that failure to resolve and clarify this issue by the end of February would severely jeopardise the framework's introduction to deadline.**

Allocation of funds for Staff Development

Received:

- 195 ISC5/3, a paper citing objectives and factors for consideration in allocation of funds for staff development. Following the agreement minuted under 182 above, this paper became less immediately relevant. Nevertheless several useful elements itemised in the paper were noted and it was therefore agreed that the paper remain on the table for consideration at the summer meeting regarding transition of Permission To Teach arrangements.

Procedures and Documentation for Approval, Monitoring and Review

Received:

- 196 ISC 5/4, recommending procedures and documentation relating to various stages of Sub-Committee business, as it relates to:
- A First approval during transition*
 - B First approval of new institutions*
 - C Monitoring of institutional progress*
 - D Reapproval of relationships*
 - E Amending the list of approved programmes*
 - F Termination of relationships*
- 197 A minute was expressly requested to reflect the Sub-Committee's satisfaction with this paper, and its thanks to those involved, in particular Michael Davis, for their time and effort.

- 198 The cost to institutions of accommodating the new documentary requirements was again noted, relating back to point 21 of ISC 5/2, wherein an estimated cost to institutions of £5-7,000 was posited.
- 199 A number of areas were identified where improvements could be made to assure flexibility. It was agreed to recirculate the paper following the incorporation of these changes:
- Wider requirement for full initial documentary submission from incorporated institutions
 - Incorporation of a facility for conditional award of status
 - Expansion of the appeals procedure along with clarification of the specific rights of appeal.
 - Rewording of A12 to clarify obligations and timings
 - Revising wording of criteria concerning tutors' Knowledge Skills and Behaviour to allow for greater flexibility and objectivity of application.
- 200 In consideration of the appendices, it was reiterated that all discussion of specific institutional cases would be deferred to the February meeting of ISC.
- 201 Preliminary discussions regarding countries where travel proves problematic raised questions as to the objectivity of the criteria and the arrangements required. This point was illustrated with the particular example of Pakistan. Whilst it may be difficult to allocate status in countries where inspection is impossible, it was noted as highly undesirable for the University to pull away from relationships established in Pakistan. It was partially resolved that this would need to be handled on a programme by programme basis (given that Colleges have different travel policies to the Central Offices), and that arrangements for flexibility in the face of exceptional circumstances and *force majeure* would need to be considered further in the context of individual cases at ISC6.

Resolved:

- 202 **On condition of the incorporation of these changes to the Sub-Committee's satisfaction, that the procedures outlined in parts A, B, D, E and F be endorsed.**
- 203 **That the forms for annual and course monitoring be reviewed by the Quality Team, EISA, and returned to the February meeting of ISC.**
- 204 **that the Secretary would arrange for brief written submissions from colleagues regarding specific institutions, and would bring the two annexes to ISC6 with final allocation of institutions to categories RC and AC and supporting arguments from colleagues.**

Reference Guide

Received:

- 205 *ISC 5/5, a paper detailing matters arising in the production of the Reference Guide.*

Resolved:

- 206 **That 'Institutions Policy Framework' should remain the title for the new framework.**
- 207 **That institutions would need to seek approval for each set of separate premises where teaching is to take place.**
- 208 **That pass rate targets would not yet be employed on a system wide basis, as there is currently not the infrastructure to support this.**
- 209 **That the reference guide would be finalised in the light of these agreements, and circulated after consultation with the Quality Team, prior to final approval by ISC.**

MATTERS FOR REPORT

MOUs & MOAs

Received:

- 210 ISC 5/6, containing a template MOA and MOU and seeking the Sub-Committee's endorsement
- 211 The Sub-Committee noted the thorough-going nature of the MOA and discussion centred upon its streamlining, effecting a balance between the (local) needs of institutions and the University's practical obligations (eg Data Protection, Copyright etc).
- 212 With respect to MOUs, the Sub-Committee again voiced concern lest these be deployed indiscriminately. Whilst MOUs will be provided as a 'live' way for entry into the framework, implicit tensions were noted as to what the University should be obliged to provide (eg: a *priori* listing or marketing support). These tensions must be accommodated within the Memorandum of Understanding.

Resolved:

- 213 **that the MOA be modified to use Arbitration as a less time consuming and costly avenue for dispute resolution than the English Courts.**
- 214 **To revise the MOU, building in a sense of mobility, but abandoning any language which could lead to a misunderstanding (eg: "working together with the University to enhance learning opportunities for External students")**
- 215 **It was agreed that the MOA and MOU be condensed and revisited in February following further consultation.**

SITS & Business Transformation

Received:

- 216 Oral report from Craig O'Callaghan on SITS and the Business Transformation Project

Noted:

- 217 It was noted that full data gathering and management functionality is not going to be available "for the foreseeable future", but that a clearer picture would be available in the third quarter, 2009. Interim measures are being put into place for systematic data extraction for monitoring institution performance.
- 218 A Business Review Paper for the Institutions Sub-Committee is in production to address particular issues as they relate to introduction of the new institutions policy. Similarly a separate paper will be forthcoming, to address the viability and functionality of Portal access for institutions.

Conclusion of Meeting

- 219 The Chair noted that the Sub-Committee has now addressed all significant issues relating to the introduction of the policy framework. He thanked all Sub-Committee members for their contributions during the development of the policy framework, and the Sub-Committee reciprocated, commending the Chair on his work in steering initial meetings to their successful conclusion.

Dates of Future Meetings

- 220 The next meeting of IS-C is scheduled for 26 February, 2009.