

**Oversight Agreement
between the
Department of Education and Skills
&
Quality and Qualifications Ireland (QQI)**

2018

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1: Introduction and Context

1.1 Purpose and Scope of the Agreement

The purpose of this oversight agreement is to set out the terms of the relationship between the Department of Education and Skills (referred to in this document as “the Department”) and Quality and Qualifications Ireland (referred to as “QQI”). The purpose of the Agreement is to:

1. Set out the terms of the relationship between the two bodies, the respective roles and responsibilities of both parties in relation to the National Framework of Qualifications (NFQ) and the quality assurance of the further and higher education and training sectors in Ireland;
2. Provide clarity on the strategic and operational aspects of the organisations’ relationship;
3. Provide a basis and framework for the delivery of high quality services and to set in place for 2018, the parameters and timeframe within which those services will be delivered by QQI;
4. Establish structured arrangements for communications, reporting and liaison, accountability and governance;
5. Facilitate improved communication, engagement and co-operation between both organisations.

The detailed performance aspects of this agreement are set out in the attached Performance Deliver Agreement.

The agreement does not supersede any specific agreements between the two organisation in relation to particular work areas.

Both organisations will ensure that all relevant staff are familiar with the Agreement and its implications and that all dealings between the two organisations are conducted in accordance with its principles and provisions.

It is important to acknowledge that this agreement is not a legally binding agreement or a contract, and it is not exhaustive in its identification of responsibilities.

1.2 Duration of the Agreement

The duration of the Agreement is for three years commencing in parallel with the new PDA attached. The commencement date is 1 January 2018. The Oversight Agreement is required to be reviewed annually and updated as required.

1.3 Amendments of Agreement

This Oversight Agreement is to be considered a dynamic document in that it will be modified in light of changing circumstances. A necessity for amendments maybe prompted by changes in e.g., legislation, Government/Ministerial priorities, prevailing operating circumstances and/or broader political, economic, financial or related priorities. Where amendments become necessary, the Department should

engage with QQI to agree the amended Oversight Agreement. All amendments to the Agreement are subject to the mutual agreement of the Department and QQI.

2. Roles and Statutory Functions of the Parties to this Agreement

2.1 Legal Framework

QQI is a State agency responsible for promoting quality and accountability in education and training services in Ireland. It was established in 2012 by the [Qualifications and Quality Assurance \(Education and Training\) Act 2012](#). QQI also carries out non-statutory functions on behalf of the Department such as the operation of the ACELS accreditation scheme for English language providers and the maintenance of the Qualifax service.

2.2 Operational Environment

QQI is a non-commercial regulatory body funded by the exchequer and part funded by fees from private (and voluntary) and public providers for a range of regulatory and certification services carried out by QQI. Aspects of the non-exchequer fee income are unpredictable which increases reliance on exchequer funding to provide for any shortfall.

On an annual basis, QQI will provide the Department with a profile of estimated drawdowns for the financial year ahead. The profile will be a best estimate taking into consideration the timing of predicted income from non-exchequer sources and estimated timing of projects. In accordance with the Department's allocation of the grant, the profile of drawdowns will be divided between pay, pensions and non-pay.

When requesting a draw-down of exchequer funding, QQI will provide to the Department a cashflow statement, covering the period of the request, that sets out: cash at bank, estimated income, current liabilities and estimated spend for the period in question.

2.3 Common mission of Department of Education and Skills and QQI

Education and training is central to individual, societal and economic development and is a vital component for overall national development. The Department and QQI have a common mission of supporting lifelong learning and assuring the quality of the delivery of education and training. Their respective missions, goals, key functions and roles are set out below.

2.4 Department of Education and Skills

The mission of the Department as set out in the Department's National Strategy for Higher Education to 2030, the Further Education and Training Strategy 2014-2019 and the Department's Action Plan for Education 2016-2019 - is to facilitate individuals through learning, to achieve their full potential and contribute to Ireland's social, cultural and economic development.

The Department vision is: an internationally recognised education and training system based on evidence informed policies designed to anticipate and respond to the changing needs of learners, society. The Goals of the Department refer to:

Goal 1 - Learning for Life

We want an education and training system that provides all learners with the knowledge and skills they need to participate fully in society and the economy

Goal 2 - Improving Quality and Accountability

We want to provide for the delivery of a high-quality education and training experience for everyone and improve accountability for educational outcomes across the system

Goal 3 - Supporting Inclusion and Diversity

We want an education and training system that welcomes and meaningfully includes learners with disabilities and special educational needs, learners from disadvantaged communities/backgrounds, and those with language, cultural and social differences

Goal 4 - Building the right systems and infrastructure

We want a modern, flexible education and training system which makes the best use of available resources

The key functions of the department in relation to lifelong learning, quality assurance and qualifications are:

- To support Government in determining national policy relating to lifelong learning, quality assurance and qualifications;
- To support Government in developing the legislative framework to ensure that national policies relevant to the quality assurance of further and higher education and training can be implemented;
- To provide high quality opportunities for upskilling and reskilling that meet the needs of individuals and the labour market;
- To provide high quality learning, research and innovation opportunities in the higher education sector;
- To be accountable to the Oireachtas for the public funding assigned to QQI;
- To hold QQI accountable for the performance of its functions.

Many of these goals and functions overlap, align and complement the functions and role of QQI as set out below

2.5 QQI

QQI is an independent agency under the aegis of the Department of Education and Skills which is independent in the performance of its functions. Its qualifications and external quality assurance policies and methodologies are influenced both by national legislation, government policy and European models such as the European

Standards and Guidelines. It develops these in consultation with further and higher education and training institutions and the wider qualifications system. However, its processes, procedures, decisions and judgements are not influenced by third parties.

QQI is governed by a Board. The Board cultivates and relies on the cooperation, expertise and independent judgement of its members in order to provide the necessary leadership to support the success of the agency in delivering on its functions.

QQI has responsibility for the external quality assurance of further education and training and higher education and is responsible for the National Framework of Qualifications. QQI also validates programmes and makes awards within the NFQ for further and higher education and training providers without their own awarding powers. The functions of QQI as defined in the Qualifications and Quality Assurance (Education and Training) Act, 2012 (referred to as "the Act") include:

- To approve the quality assurance procedures of providers of further and higher education and training, other than universities;
- To review and monitor the effectiveness of the quality assurance procedures of providers of further and higher education, including universities;
- To promote, maintain and further develop the National Framework of Qualifications;
- To advise the Minister in relation to national policy on quality assurance and enhancement in education and training;
- To establish a code of practice for the provision of education and training programmes to international learners and authorise the use of an International Education Mark by providers who comply with the code.

It is acknowledged that QQI also operates the ACELS Scheme for English language providers on a contractual basis at the request of the Department. Qualifax, the national learners' database, is maintained by QQI at the request of the Department.

QQI plays a key role in providing policy advice to the Minister and the Department on the current status of the further and higher education and training system and in the development of future education and training policy. QQI may undertake to conduct research into relevant matters, raising policy issues with the Department where it considers action is required, and will ensure that the Department is kept fully informed or involved on all initiatives/developments under consideration in this context. This should include, where appropriate, the participation of the Department in any working groups or processes established to progress work in a particular area. QQI will also ensure that there is prior consultation with the Department on draft policy documents in advance of final approval or publication.

Internationally, QQI is involved in a number of projects, initiatives, agreements and networks with the aim of improving the quality of education and training across Europe and the world. Currently QQI's contribution to European and international initiatives includes its role as the national contact point for the European

Qualifications Framework for Lifelong Learning (EQF); as the National Academic Recognition Information Centre (NARIC); as the National Europass Centre; through participation in the national Bologna steering group; as the national contact point for and member of ENQA; as one of the national contact points for ESCO (European Skills/Competencies, qualifications and Occupations) at the request of the Department and currently provides the secretariat to EQAVET (for the period 2016-2019). Through IQAVET, QQI is the national reference point for the European Quality Assurance in Vocational Education and Training.

2.6 QQI's Statement of Strategy

QQI promotes the enhancement of quality in Ireland's further and higher education and training, and quality assures providers. QQI supports and promotes a qualifications system that benefits learners and other stakeholders. Extensive high-quality education and training opportunities with qualifications that are widely valued nationally and internationally.

QQI will establish a new strategic statement in 2018 for 2019-2021 in consultation with the Department of Education and Training as the parent department in addition to key stakeholders.

3. Code of Practice for the Governance of State Bodies 2016

QQI complies with Code of Practice for the Governance of State Bodies 2016. Please refer to Section 6.1. of this Agreement for further details.

4. Details of the Performance Delivery Agreement

The Performance Delivery Agreement (PDA) is attached. QQI will comply with the Performance Delivery Agreement.

5. Financial Management

5.1 Funding Provision

QQI will provide details of its funding requirements and any supporting documentation to the Department in a timely manner. All Departmental funding shall be carried out in accordance with public financial procedures and relevant in force guidance circulars from the Department of Public Expenditure and Reform. QQI is committed to the allocation of funding within the agreed budget and in a fair and transparent manner and will comply with all Department of Public Expenditure and Reform guidelines, Department guidelines, relevant legislation and circulars.

5.2 Recurrent Financial Management

QQI is committed to managing public funds with the highest degree of honesty and integrity and to act in a manner which complies with relevant laws and obligations

(e.g. tax). QQI will procure goods and services in a fair and transparent manner and act fairly, responsibly and openly in our dealings with the Department

QQI understand the purpose and conditions of the funding and the outputs required. QQI will apply funding only for the business purposes for which they are provided and will apply for funding drawdowns only when required for business purposes. QQI will seek clarification from the Department, where necessary, on use of funds, governance and accountability arrangements.

QQI will ensure appropriate governance arrangements are in place for:

- oversight and administration of funding
- control and safeguarding of funds from misuse, misappropriation and fraud
- accounting records which can provide, at any time, reliable financial information on the purpose, application and balance remaining of the public funding
- Accounting for the amount and source of the funding, its application and outputs/outcomes.

QQI will be in a position to provide evidence of effective use of funds, value achieved in the application of funds and avoidance of waste and extravagance.

QQI confirms that it is compliant with the Department of Public Expenditure and Reform's Circular 13/2014.

5.3 Annual Plan/Budget

The Board of QQI approves an annual plan and budget and formally undertakes an evaluation of actual performance by reference to the plan and budget on an annual basis. QQI's annual plan and budget will be reflected in the Annual Report and reported on to the Department officials.

5.4 Capital Financial Management

QQI will outline the procedures for notification, requests for funding and draw down of funding for Capital projects if and when these arise in the future on a case-by-case basis.

5.5 Financial Procedures

- **Written procedures**

QQI has established and documented financial procedures in place, all of which are in compliance with the requirements of the Public Financial Procedures and other relevant financial regulations and guidelines including DPER circular 13/2014.

Grant payments

QQI will continue to agree the financial profile of the organisation with the Department in setting out the proposed drawdown of funding for the year. The financial procedures will note that any variations from the agreed profile will be agreed in advance with the

Department to ensure the Department will have timely notification of the emerging financial situation.

- **Prior sanction for expenditure**
In the context of the overall budget QQI is committed to ensuring there is clear authority for expenditure and where such authority is absent QQI will seek prior sanction for same from the Department.
- **Risk management and compliance**
QQI has adopted a structured approach to risk and control which will provide for the identification and control of financial risks and for the ongoing improvement of its financial management systems.
- **Compliance with Public Sector Legislation and Policy**
QQI will comply with all relevant public financial procedures and legislation including public procurement, taxation legislation, remuneration policy, employment and pension legislation, prompt payment of accounts and all other legislation relevant to Bodies in receipt of Exchequer funding. QQI is committed to keeping proper accounts and ensuring they are available for audit by the relevant External Auditor.
- **Separate detailed financial agreement and procedures**
QQI has a detailed financial agreement and established procedures with the Department. QQI also has procedures for monitoring of grant payments.

6. Corporate Governance and Accountability

6.1 Code of Practice for the Governance of State Bodies

QQI is committed to ensuring it is compliant with the requirements of the Code of Practice for the Governance of State Bodies 2016 and has agreed derogations required with the Department as below.

QQI currently manages its business with particular reference to the following areas in the Code:

- Matters for decision of the Board
- Role of the Chairperson
- Role of the Chief Executive Officer
- Role of Board Members
- Briefing for New Board Members
- Board Appointments, Terms of Appointment and Frequency of Board Meetings
- Codes of Conduct for Board members and employees.
- Ethics in Public Office
- Protected Disclosures

- Business and Financial Reporting
- Risk Management
- Internal Control
- Internal Audit
- Audit and Risk Committee
- Procurement
- Tax Compliance
- Legal Disputes
- Remuneration and Superannuation
- Travel and Official Entertainment
- Quality Customer Service

QQI has just completed a review of compliance with the Code of Practice for the Governance of State Bodies, 2016 in collaboration with the Department. This report is referred to as "*Progress in Evaluating The Level of Compliance with the 2016 Code*". Derogations have also been cited and agreed as part of this report.

6.2 Additional Information

QQI accepts that the Accounting Officer of the Department must satisfy him/herself that the requirements of the Code of Practice for the Governance of State Bodies are being properly implemented and observed. In support of this role, the Accounting Officer or his/her Department may request further information/evidence that the entity is in compliance with the Code. QQI is committed to complying with all reasonable requests from the Department to supply additional information on a timely basis.

6.3 Statutory obligations

QQI is committed to complying with all relevant Statutory Obligations which affect the corporate governance of QQI.

6.4 Public Spending Code

QQI is committed to complying with the Public Spending Code (<http://publicspendingcode.per.gov.ie/>) and provide specific details relevant to the QQI as appropriate and where applicable.

6.5 Legal Settlements

Where QQI is required to conclude on any legal settlements it will not enter into confidentiality agreements which preclude it from disclosing details of the settlement reached in the financial statements to the Minister for Education and Skills, save in circumstances where legal advice procured by QQI indicates that confidentiality agreements are necessary in the circumstances of the case. When in those circumstances confidentiality agreements are entered into, parties to the agreements should be given prior notice that they may be subject to disclosure in any case where an overriding public interest is identified or when required by law.

7. Monitoring and Reporting Arrangements

The monitoring and reporting arrangements of the Agreement are set out below.

7.1 Reporting and Liaison Structures

In addition to regular meetings and ongoing dialogue between management in the relevant areas of responsibility in the two organisations, three meetings at senior management level, including the CEO, will be held to review progress on the implementation of the objectives outlined in this Agreement and the Performance Delivery Agreement. The meetings will take place in Quarters 1, 2 and 4. The end year meeting will include a review of the QQI's performance against the Oversight Agreement and the Performance Delivery Agreement.

There should be at least one formal meeting per annum between the Minister/Secretary General/Senior Department officials and representatives of the Board and top management of QQI to review the overall performance of QQI for the year, to review the Oversight Agreement and the Performance Delivery Agreement and to strengthen the relationship between the two organisations.

7.2 Urgent Communication and Early Warning

QQI will establish urgent communications arrangements with the Department and vice versa if a significant issue arises. This commitment will ensure that the relevant urgency/significance of the issue will determine the grade level at which the interaction between the organisations takes place. QQI will also commit to completing and returning the Early Warning Report form.

7.3 Internal system to monitor performance

QQI will implement an internal system to monitor performance against the Oversight agreement and the Performance Delivery Agreement. The outcome of these monitoring arrangements should be reported to the Department at the regular meetings between the Department and QQI and/or in another format on a regular basis.

7.4 Monitoring of Grant Payments and Expenditure

An agreement should be made between QQI and the Department regarding the drawdown of grant payments, the documentation required to be submitted to the Department in advance of grant drawdown and the ongoing monitoring of grant payments and expenditure by QQI and the Department. A set of procedures should be drawn up codifying this agreement.

7.5 Progress Reports

Progress Reports will be provided by QQI to the Department covering the main topics in this oversight agreement and performance on aspects of the PDA to date in line with the meetings. Early warning topics will also be provided of anything arising.

7.6 Accounts and Audit

QQI will:

- Ensure that proper accounts are maintained and are available for audit;
- Submit its draft unaudited accounts not later than two months after the end of the relevant financial year (or in accordance with an agreed derogation to the deadline);
- Ensure the financial statements are audited by an independent auditor within the relevant timeframe;

The Department will lay the Audited Accounts and Annual Report before the Houses of the Oireachtas within the relevant time-frame.

7.7 Annual Report

An Annual Report will be provided to the Department by 30 June each year. QQI will publish the Annual Report promptly on the QQI website.

7.8 Chairperson's Comprehensive Report to the Minister

The Chairperson of QQI is required to submit a comprehensive report to the Minister in conjunction with the annual report and financial statements of QQI and in accordance with the specific reporting requirement set out in paragraph 1.9 of the Code of Practice for the Governance of State Bodies – Business and Financial Reporting Requirements.

8. Specific Operational Arrangements

8.1 Staffing and Remuneration

QQI will comply with relevant legislative provisions and Government policy on pay and staffing numbers.

8.2 Workforce Planning

QQI is in the process of implementing an agreed Workforce Plan for QQI in 2018 which will demonstrate the ability of QQI to meet its staffing requirements within the agreed Current Pay budget for the year.

8.3 Department Support

The Department will provide support to QQI as necessary to fulfil its role and functions. This will include advice on general government policy, staffing and pay policies, legal matters, shared services models or any other relevant matters. The Department shall keep QQI notified of statutory and public-sector requirements in the area of human resources, procurement (including IT), finance and revenue requirements that may affect QQI.

8.4 Membership of the Board

QQI will comply with any relevant legislative and/or other regulations governing Board membership/appointments and meetings.

8.5 QQI's Accommodation

QQI will consult with the Department on matters relating to office accommodation including any new leases that QQI proposes to enter.

9. Review Process

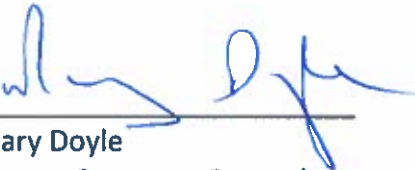
This Agreement covers a three-year period from 1 January 2018. The Oversight Agreement will be reviewed on an annual basis alongside the Performance Delivery Agreement.

10: Agreement Approval.

Signatories to the Oversight Agreement may only be those officials with delegated sanction/authority to do so – typically signatories should be at CEO/Board Chairperson level within QQI and at Assistant Secretary General level within the Department.

The Agreement must be signed by a representative of the Department and a representative of QQI.

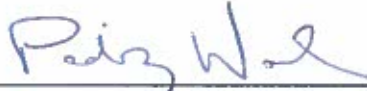
Signed on behalf of the Department of Education and Skills:



Mary Doyle
Deputy Secretary General
Department of Education and Skills

20/03/18
Date

Signed on behalf of Quality and Qualifications Ireland:



Pdraig Walsh
Chief Executive
Quality and Qualifications Ireland

15/3/18
Date