
Minutes of the 126th meeting of the Council held 23 October 2008 in HEFCW Offices, Llanishen.

Present:

Members: Mr Roger Thomas (Chairman)
Dr Len Arthur
Professor Philip Gummett (Chief Executive)
Professor Mari Lloyd-Williams
Mr Ken Richards
Professor Garel Rhys
Mrs Tina Stephens
Dr Geoffrey Thomas
Mrs Pauline Thomas

Speaker: Ms Jane Hutt, Minister for Children, Education, Lifelong Learning and Skills, Welsh Assembly Government (to Minute 2)

Observers: Dr Dennis Gunning, Director, Skills, Higher Education and Lifelong Group of the Department of Children, Education, Lifelong Learning and Skills, Welsh Assembly Government (to Minute 2)
Ms Yvonne Hawkins, Midland and South Associate Director, HEFCE
Mr Mike Hopkins, Director, Lifelong Learning and Provider Division, (DCELLS), Welsh Assembly Government
Mr Jonathan Walters, Assistant Private Secretary to Jane Hutt (to Minute 2)

Officers: Dr David Blaney
Mr Roger Carter
Ms Niina Hammond
Mr Tony Whiffen (an observer)
Mr Richard Hirst
Ms Celia Hunt
Ms Bethan Owen

Apologies: were received from Mr Mark Batho, Chief Executive, Scottish Funding Council, Mr Tim Rees, Professor Sir Brian Smith and Professor Nigel Stott.

1 INTRODUCTORY REMARKS, AND DECLARATIONS OF INTEREST

Council noted:

1.1 The Chair welcomed the Minister for Education, Children, Lifelong Learning and Skills, Ms Jane Hutt; Mr Dennis Gunning, Welsh Assembly Government Director of the Department of Children, Lifelong Learning and Skills; Ms Yvonne Hawkins, Midland and South Associate Director, HEFCE and Mr Jonathan Walters, Assistant Private Secretary to Jane Hutt to the meeting.

1.2 The following standing members' interests were declared:

- Professor Philip Gummatt whose partner is employed at Swansea Metropolitan University.
- Dr Geoffrey Thomas as an Honorary Fellow of Trinity College Carmarthen.
- Mr Roger Thomas as a former Chair of the University of Glamorgan, member of the Steering Group for Governing Bodies and Equality Project, Equality Challenge Unit and Honorary Doctor of the University of Glamorgan.
- Dr Len Arthur, as Chair of Promo Cymru, further declared that Promo Cymru had recently won a Welsh Assembly Government DCELLS contract to run a web portal for young people.

1.3 The Minister for Children, Education, Lifelong Learning and Skills ('The Minister') thanked the Council for its efforts in pursuing various recent challenges and, on behalf of the Welsh Assembly Government, formally thanked departing members for their work on the Council. The Minister detailed progress made by the sector towards Reaching Higher goals, as well as the significant challenges it faced.

1.4 The Review of Higher Education

The Minister:

- i) received and considered the *Issues for the Review of Higher Education* paper (HEFCW/08/76) and acknowledged that, with the Council Chair as a member of the Task and Finish Group, HEFCW remained a key Review stakeholder;
- ii) acknowledged receipt of the Report and proposals on Student Finance as an outcome of Phase One of the Review.

1.5 Reconfiguration and Collaboration

The Minister:

- i) noted that Wales had significant exemplars of reconfiguration successes such as the merger of Cardiff University with UWCM and of the University of Glamorgan with RWCMD;

- ii) noted that the City of Newport's initiative with University of Wales, Newport provided a good example of education sector collaboration with other service providers which could exploit valuable budget synergies;
- iii) reminded Council that with regard to collaboration, there was a need for Welsh HEIs to secure UK, EU and international funding, as well as increasing engagement with Research Councils.

1.6 University of Wales, Lampeter

Council noted an update from the Chief Executive on the latest developments in South West Wales.

The Minister:

- i) acknowledged satisfaction at University of Wales, Lampeter's interim management arrangements and commended HEFCW for the support and guidance that she had received during the recent months.

1.7 The Quinquennial Review of HEFCW

The Minister:

- i) stated that the Quinquennial Review, out of which would develop HEFCW's terms of reference, would be carried out in Spring 2009, following completion of the Higher Education Review;
- ii) noted there was the challenge of seeking shared aims and processes between the Welsh Assembly Government, HEFCW and the HEIs themselves.

1.8 In discussion, Members:

- i) welcomed the Minister's positive comments about the role of HEFCW;
- ii) expressed the need for leaders of HEIs, in the context of the economic crisis, to recognise even more than usually their responsibilities towards enabling an effective structure for the delivery of HE in Wales;
- iii) expressed concern that planning for the future of FE provision, especially in respect of its relations with HE, should encourage collaboration between HEIs and FEIs;
- iv) expressed a wish to see action on the *One Wales* commitment to establish National Research Centres, adding that these could to advantage be built upon existing collaboration proposals;

- v) identified risks for Wales (and other devolved administrations) in some of the tendencies within DIUS towards integration of policy for HE and for research councils;
- vi) emphasised the critical importance of securing a truly strategic approach to the delivery of the current set of policies within Wales towards education at all levels.

2. MINUTES OF THE MEETING HELD ON 26 SEPTEMBER 2008
(HEFCW/08/MIN125)

Resolved: that the Minutes be accepted as a true record of the meeting held on 26 September 2008.

3. MATTERS ARISING (HEFCW/08/71)

3.1 Council received and considered a report on action taken following the previous Council meeting held 26 September 2008.

3.2 Resolved:

- i) to note that there had been no further developments regarding the proposal for Swansea's second campus;
- ii) to note the contents of the report.

4. CHAIRMAN'S REPORT

4.1 Council received an oral report from the Chair on activity since the last meeting of Council.

4.2 Resolved:

- i) to note that the Council members' extranet had successfully been launched and that loading of recent committee papers would proceed shortly;
- ii) to note that the Chair had discussed with members the committee review, outcomes of which would be presented to Council at its next meeting to be held 12 December 2008.

5. CHIEF EXECUTIVE'S REPORT (HEFCW/08/CE6)

5.1 UW Lampeter update

Council received an oral update on recent developments at the University of Wales, Lampeter.

Resolved:

- i) to note the recent developments at the University of Wales, Lampeter including the interim management appointments;

The paragraphs below are exempt from disclosure under sections 41 (information provided in confidence) and 43 (information which is commercially sensitive) of the Freedom of Information Act 2000

ii) and iii)

5.2 South West Wales: Update

Council received an oral update on recent developments between Swansea University, Swansea Metropolitan University and Trinity College, Carmarthen.

The paragraph below is exempt from disclosure under sections 41 (information provided in confidence) and 43 (information which is commercially sensitive) of the Freedom of Information Act 2000.

i)

5.3 Budget

Council received and considered a tabled paper detailing HEFCW's draft baseline grant settlement for 2009-10 and comparisons between the published draft budget and previously-provided indicative figures.

Resolved:

- i) to note that Glyndŵr University, Aberystwyth University and the University of Wales had between them £8.1million of investments in Icelandic banks. If this money were not recovered, it would not fundamentally affect their financial stability, but could affect the speed at which some of their planned developments proceeded;
- ii) to note that work was in progress on the annual Report on the Funding Gap - which would be provided to the Welsh Assembly Government in November 2008;
- iii) to delegate authority to the Chief Executive to approve the final version of the Report for submission to the Welsh Assembly Government. A copy of the Report would be sent to members at the same time.

5.4 Revised Council event timetable 2008-10

Council received the revised Council timetable of events for 2008-10.

Resolved: to note the revised Council timetable of events for 2008-10.

5.5 Notes of the Institutional Visit to University of Wales, Lampeter 25 September 2008

Council received the tabled note of the Institutional Visit to University of Wales, Lampeter on 25 September 2008.

Resolved: to receive the note of Institutional Visit to University of Wales, Lampeter 25 September 2008.

5.6 Chief Executive Calendar of meetings since 26 Sept 2008

Council received the Chief Executive's Calendar of meetings held since the last Council meeting.

Resolved: to note the Chief Executive's Calendar of meetings held since the last Council meeting.

6. ITEM WITHDRAWN (HEFCW/08/72)

Council noted that paper HEFCW/08/72 – Stakeholder Survey Action Plan had been withdrawn from the agenda and would be considered at the next meeting of Council to be held 12 December 2008.

7. SUBJECTS OF BROADER IMPORTANCE TO WALES (HEFCW/08/73)

7.1 Council received and considered an update on the position with regard to Subjects of Broader Importance to Wales.

Resolved:

The paragraphs below are exempt from disclosure under section 22 (information intended for future publication) of the Freedom of Information Act 2000.

7.2 to 7.4

8. ANALYSIS OF INSTITUTIONS' FINANCIAL HEALTH **MEMBERS AND OFFICERS ONLY** (HEFCW/08/74)

- 8.1 Council received and considered an analysis of the financial health of the Higher Education Sector and individual institutions as indicated by the financial forecasts received in July 2008 for the period 1 August 2007 to 31 July 2012.

Resolved:

The paragraphs below are exempt from disclosure under sections 41 (information provided in confidence) and 43 (information which is commercially sensitive) of the Freedom of Information Act 2000.

8.2 to 8.4.

9. STRATEGIC USE OF CORE FUNDING – MODELLING FOR 2009/2010 ONWARDS (HEFCW/07/75)
- 9.1 The Chair reiterated the declaration that he is a former Chair of the University of Glamorgan.
- 9.2 Council received and considered modelling for the more strategic use of core funds.

Council noted:

The paragraphs below are exempt from disclosure under section 22 (information intended for future publication) of the Freedom of Information Act 2000.

9.3 to 9.5

10. ISSUES FOR HIGHER EDUCATION REVIEW (HEFCW/08/76)
- 10.1 Council considered approaches for the targeted application of any funds released after Phase One of the Review and received and considered proposed core questions for the Second phase of the Review.

Council noted:

The paragraphs below are exempt from disclosure under section 35 (formulation of Welsh Assembly Government policy) of the Freedom of Information Act 2000.

10.2 to 10.5

11. FORWARD COUNCIL BUSINESS WORK PLAN (HEFCW/08/77)

- 11.1 Council received and considered the format of a new standing item detailing forward business of Council meetings.

Resolved:

- 11.2 to approve the format and information status of the Forward Council Business Plan.

12. RECONFIGURATION AND COLLABORATION (HEFCW/08/78)

- 12.1 The Chief Executive reiterated the declaration that his partner is employed at Swansea Metropolitan University.

- 12.2 Council received and noted progress with reconfiguration and collaboration since its last meeting on 26 September 2008.

The paragraphs below are exempt from disclosure under sections 36 (information potentially prejudicial to the conduct of public affairs) and 43 (information which is commercially sensitive) of the Freedom of Information Act 2000.

Resolved:

12.3 to 12.7

13. ANY OTHER BUSINESS

13.1 Departing Council Members – Dr Len Arthur

Resolved: to note that this was Dr Len Arthur's last Council meeting and the Chair's warm thanks to him for his six years of service as Council member and his work as the Chair of the Third Mission Committee and on the Appointments Committee.

13.2 Departing Council Members – Mrs Tina Stephens

Resolved: to note that this was Mrs Tina Stephens' last Council meeting and the Chair's warm thanks to her for her six years of service as Council member and her work as the Chair of the HR Committee and on the Remuneration and Appointments Committees.

14. DATE OF NEXT MEETING

Council noted:

- i) the date of the next meeting as 12 December 2008, to be held at the HEFCW Offices, Cardiff;
- ii) that the next meeting of Council would be preceded by a presentation from the Vice-Chancellor of the University of Glamorgan as part of the Annual Meeting with Heads of HEIs;
- iii) that the Clerk would shortly distribute the final programme of the Institutional Visit to the Open University to be held 11 December 2008.

15. TEACHING QUALITY INFORMATION FUNDING AND OUTCOMES OF NATIONAL STUDENT SURVEY (HEFCW/08/79)

15.1 Council received and considered the most recent outcomes of the National Student Survey, the final costs of the 2008 survey and estimated costs of the 2009 survey.

Resolved:

15.2 to note the analysis of the results from 2005 to 2007;

15.3 to note the residuals for Welsh institutions;

15.4 to approve the payment of £197,955 from HEFCW for the costs of the 2008 survey;

15.5 to note the results for Wales in the 2008 National Student Survey;

15.6 to approve in principle the payment of the estimated cost of the 2009 survey of approximately £200,000, and delegate authority to the Chief Executive to approve the precise sum when known.

16. CORPORATE RISK REGISTER (HEFCW/08/80)

16.1 Council received and considered the latest update of its Corporate Risk Register.

Resolved:

16.2 to note changes to the Corporate Risk Register;

16.3 to approve the latest update to the Corporate Risk Register and the distribution of those risks;

16.4 to note the commentary on the current distribution of risks and on likely developments in the immediate future.

17. MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD 16 OCTOBER 2008 (HEFCW/08/82)
 - 17.1 Council received and considered the unconfirmed minutes and report of the Audit & Risk Committee meeting held on 16 October 2008 and the Internal Audit Service Terms of Reference.

Resolved:
 - 17.2 to receive the unconfirmed minutes and report of the Audit & Risk Committee meeting held on 16 October 2008;
 - 17.3 to approve the Internal Audit Service Terms of Reference.
18. UNCONFIRMED NOTES OF THE MEETING OF THE THIRD MISSION COMMITTEE HELD 12 SEPTEMBER 2008 (HEFCW/08/81)
 - 18.1 Council received the agenda and unconfirmed notes of the last meeting of the Council's Third Mission Committee held on 12 September 2008.
 - 18.2 Resolved: to note the agenda and unconfirmed notes of the last meeting of the Council's Third Mission Committee held on 12 September 2008.
19. FUTURE ARRANGEMENTS FOR RESEARCH ASSESSMENT: PROGRESS REPORT TO WELSH ASSEMBLY GOVERNMENT (HEFCW/08/83)
 - 19.1 Council received a progress report on the Development of New Arrangements for Research Assessment as submitted to the Welsh Assembly Government.
 - 19.2 Resolved: to note the progress report on the Development of New Arrangements for Research Assessment.
20. REDISTRIBUTION OF FUNDED CREDIT VALUES 2008/09 (HEFCW/08/84)
 - 20.1 Council received the outcome of the redistribution of funded credits values exercise for 2008/09.
 - 20.2 Resolved: to note the outcome of the redistribution of funded credits values exercise for 2008/09.
21. MINUTES OF THE HR COMMITTEE MEETING HELD 17 SEPTEMBER 2008 **MEMBERS ONLY** (HEFCW/08/85)

21.1 Council members received the minutes of the HR committee meeting held 17 September 2008.

21.2 Resolved: to note the minutes of the HR committee meeting held 17 September 2008.

Signature.....Date.....