

Corporate Strategy & Corporate Plan 2009-10 to 2011-12

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Lywodraeth Cynulliad Cymru
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What HEFCW does – mission and aims

The Higher Education Funding Council for Wales is an Assembly Government Sponsored Body. Under the Further and Higher Education Act 1992, confirmed by the Education Act 2002, HEFCW administers funds made available by the Welsh Assembly Government to support education and research by higher education institutions in Wales, and certain higher education courses at further education colleges.

Under the Education Act 1994, HEFCW accredits universities and colleges that provide initial teacher training for school teachers and commissions research to improve the standards of teachers and teacher training.

We have:

one mission

four core values

seven strategic aims

HEFCW's mission:

Is to promote internationally excellent higher education in Wales, for the benefit of individuals, society and the economy, in Wales and more widely.

Working with partners, we deploy funds from the Welsh Assembly Government and others to:

- **secure** higher education learning and research of the highest quality;
- **make the most of** the contribution of higher education to the culture, society and economy of Wales; and
- **ensure** high quality, accredited teacher training across Wales.

We are committed to maintaining and upholding four **core higher education values**, which are reflected in our strategic aims.

four core values:

1	2	3	4
<p>Scholarship and Learning</p> <p>Sustaining a culture which demands disciplined thinking and intellectual integrity, encourages curiosity, challenges existing ideas and generates new ones.</p>	<p>Lifelong Learning</p> <p>Enabling individuals to develop their capabilities to their highest potential throughout life.</p>	<p>Civic Responsibility</p> <p>Playing a major role in encouraging good citizenship and in shaping a democratic, inclusive society founded on respect for the rights of the individual and their responsibilities to society as a whole.</p>	<p>Sustainability</p> <p>Working to ensure that the sector develops structurally in a manner that best supports the delivery of the strategic aims and remains internationally competitive.</p>

seven strategic aims:

1	2	3	4	5
<p>Reaching Wider</p> <p>Delivering wider participation and access in support of social inclusion and economic upskilling.</p>	<p>The 'Deal for Students'</p> <p>Delivering the highest quality learning and related support.</p>	<p>Research Excellence</p> <p>Delivering improved research performance to underpin the knowledge economy and cultural and social renewal.</p>	<p>Benefiting the Economy and Society</p> <p>Delivering more productive relationships between higher education institutions and the public and private sectors, other agencies and local communities.</p>	<p>Initial Teacher Training</p> <p>Delivering newly qualified teachers of high quality.</p>
6			7	
<p>Making it work: the Higher Education sector in Wales</p> <p>A strong emphasis on reconfiguration, collaboration, and other measures to sustain improved performance of individual institutions and the HE system as a whole.</p>			<p>Making it work: HEFCW</p> <p>Being an effective public sector body by:</p> <ul style="list-style-type: none"> • having the capability and infrastructure that enables us to work effectively internally and with all our stakeholders and partners (especially the Welsh Assembly Government and the HE sector in Wales); and • being an employer of choice. 	

1 Context

Background

This is HEFCW's three-year corporate strategy. As well as restating our mission and aims, it sets out the strategic outcomes we expect to see for higher education in Wales by the year 2012.

We operate in an overall policy environment set by the Welsh Assembly Government. This includes particularly the following:

- The Assembly Government's long-term strategy for higher education in Wales, *Reaching Higher* (2002), which sets out its vision of how the HE sector will contribute to the achievement of the education and lifelong learning programme to 2010
- *One Wales: A progressive agenda for the government of Wales (2007)* sets out the programme for government over the Assembly's term to 2011.
- *Skills that Work for Wales* (2008) which comprises the Assembly's skills and employment strategy, including associated documents such as *Transforming Education and Training Provision in Wales – Delivering Skills that Work for Wales*.

Professor Merfyn Jones has been asked by the Minister for Children, Education, Lifelong Learning and Skills to chair a task and finish group which has undertaken a review of the mission, purpose, role and funding for higher education in Wales. This takes account of the vision set in *Reaching Higher* and *Skills that Work for Wales*. The review reports at the same time that this strategy period commences, and will lead to a revised strategy for the higher education sector that will replace *Reaching Higher*. Whilst *Reaching Higher* continues to be a key driver of HEFCW's activities in this document, we plan a substantial review and revision of our strategy over the next year, working closely with our partners, to take account of the Assembly Government's response to the Jones' review.

The first phase of the Jones' review focussed on student finance; one outcome is likely to be increased resources made available to higher education. We will work with WAG officials to plan for the effective use of these resources, which will be used to progress key policy areas.

The economic recession is the most significant factor impacting upon the higher education sector and thus upon the mission and aims set out in this plan. HEFCW will encourage HEIs to respond positively to the economic downturn, both in terms of their support for individuals, communities and businesses across Wales in inclusion and upskilling and also in their roles as significant local and regional employers. Our Economic Support Initiative, a fund of £2m to support initiatives to address the economic downturn, was launched in March 2009 and project proposals will be funded during this plan period. In addition, in response to the Minister's remit, we will take actions where we can to address higher level skills needs; tackle issues around the Science, Technology,

Engineering and Mathematics (STEM) supply chain in Wales; and enhance graduate employability.

This Plan deals with HEFCW's objectives and priorities for the planning period but achieving them depends upon close co-operation with our key partners and stakeholders, both within and without the higher education sector. We will, therefore, continue to work closely with our partners to ensure that we deliver our mission to promote internationally excellent higher education in Wales for the benefit of individuals, society and the economy. In doing so, we aim to contribute to the achievement of the objectives set out in *Reaching Higher*, and to other key Assembly Government strategies particularly in relation to education, skills and lifelong learning, employment, economic development, transforming education and training, and sustainability and global citizenship.

Challenges

The strategy addresses the major issues that HEFCW, and the HE sector in Wales, will face over the next three years. These include:

- Working with the sector, and other partners, to do all that we can to address the challenges arising from the recession;
- Taking forward the outcomes of the Assembly Government's response to the Jones' Review, including the revised strategy for the higher education sector that will replace *Reaching Higher*, developing a framework to gather evidence of delivery and impact and evaluate the effectiveness of current expenditure in securing outcomes;
- reconfiguration and collaboration: continuing to act to strengthen the sector, raise performance and meet future challenges, as well as addressing Assembly Government policies in *One Wales, Skills that Work for Wales* (STWFW) and the need for sector buy-in to the Transforming Education and Training agenda;
- Playing a key role in encouraging HEIs to work with employers to meet higher level skills and employment needs in Wales, as identified through STWFW;
- developing our framework for strategic engagement with the HE sector in Wales and our institutional risk assessment approach, so that we focus more clearly on the key strategic issues facing institutions and on longer term institutional sustainability, as well as alignment with the delivery of government policy and key strategic priorities;
- working with Governors to strengthen the capacity of HEIs to manage their affairs effectively under increasingly volatile economic circumstances;
- taking forward widening access and Reaching Wider activities including those which cover subjects of broader importance in a Welsh context, taking particular account of STEM subjects and *Skills that Work for Wales*;
- the overall funding position, including the impact of the recession; changes in institutions' income streams arising from tuition fee arrangements in Wales; the opportunities arising from the new Structural Funds programmes; more strategic approaches to the use of core funding, including through funded credits, and our remit to assist in the development of a framework for the funding of a sustainable HE sector.
- revised funding arrangements for research, following the 2008 RAE exercise, focussing on sustainable excellence, and the forthcoming Research Excellence Framework and its potential impact on outcomes in Wales, working with the sector, the Assembly's Department for Economy and Transport and the Wales Office of Research and Development for

Health and Social Care (WORD) to improve the exploitation of research in support of the *One Wales* vision to make Wales a strong and prosperous nation;

- supporting Welsh HE to maintain a competitive role and position within the wider UK HE system;
- working to support the Coleg Ffederal Planning Board whilst ensuring that the current progress and momentum in taking forward the sector's strategic framework and plan to enhance Welsh medium provision is not undermined;
- working with the QAA to implement new quality assurance arrangements to ensure high quality provision for learners and meet HEFCW's statutory responsibilities, and further developing our approach to supporting quality enhancement;
- playing an active role in developing the European and wider international dimensions of the work of the HE sector in Wales, not least in support of the *One Wales* aspirations for 'Wales in the World';
- implementing reconfigured initial teacher training provision through three new regional centres of initial teacher education;
- developing and implementing action plans, for HEFCW and for the HE sector, to deliver the value for money gains required under the Assembly's *Making the Connections* initiative.

Priority areas

We will continue to address the Assembly's expectation that HEFCW adopt a more strategic approach, including in the way we use core funding, *Reaching Higher* funding, and student numbers, and in conjunction with our on-going work to strengthen the HE sector through reconfiguration and collaboration. In this context, the five key priority areas for the remaining period of this Corporate Strategy will be:

1. delivering the reconfiguration and collaboration agenda;
2. widening access to Higher Education, with a particular emphasis on part-time students;
3. further strengthening activities which deliver sustainable research excellence;
4. strengthening governance and management of HEIs (including greater engagement with the Chairs of Higher Education Wales (CHEW)); and
5. strengthening the economic, social and cultural role of HEIs, not least with regard to the skills and employment agenda, especially in the context of the challenges arising from the recession.

We also will be discussing with the Assembly how our work forms part of the DCELLS-wide delivery and performance management framework and the *One Wales* commitment to review the governance of public service bodies to ensure alignment with the Assembly Government improvement agenda. We will be taking forward the outcome of our own Governance Review, scheduled to begin in May 2009, during this plan period. We will identify measurable strategic and operational deliverables, supported by milestones and performance indicators for inclusion within our next Corporate Strategy in which we will set out our strategic objectives and outcomes beyond 2011.

Key activities

In addition to the above, we will also continue to address a range of important 'routine' matters, including:

- issuing the Recurrent Grant each March;
- making prompt payment of funds to institutions;
- carrying out systematic financial monitoring of institutions to identify potential or actual financial difficulties;
- Monitoring and advising institutions on:
 - good governance and management, and arrangements for risk management
 - sustainable procurement:
 - equalities issues;
 - estates strategies;
 - energy management;
 - sustainable development and global citizenship.
- analysing and providing feedback on institutions' strategic plans and other key strategies;
- assessing annual monitoring statements from institutions that report on progress against various HEFCW initiatives;
- meeting the requirements set out in our Welsh Language Scheme and in our Single Equality Scheme; and
- ensuring that we continue to sustain a high quality physical research infrastructure in Wales, including through the Capital Investment Strategies.

4 Strategic objectives and outcomes and key actions for the planning period 2008-09 to 2010-11

Reaching wider

delivering wider participation and access in support of social inclusion and economic upskilling

We wish to see institutions working collaboratively within the sector and with other parts of the education system and the voluntary sector to improve access to HE for those from communities and groups with a record of low participation.

Context

Widening participation in higher education is a major Assembly Government priority which has been re-emphasised in *Reaching Higher* and in *The Learning Country: Vision into Action* and *One Wales*. HEFCW recognises that there are additional costs in recruiting students from backgrounds where there is little tradition of participation in HE. Our response includes premium funding and funding support for widening access strategies. In addition, HEFCW's *Reaching Higher - Reaching Wider* programme supports regional HE/FE partnerships which build on institutional widening access programmes and encourage greater coordination of activities within local partnerships and sharing good practice across the sector. In 2007 we commissioned an independent stock-take of our widening access policies, including the *Reaching Wider* initiative and we will be taking forward the evaluation outcomes in 2009-10 as well as reflecting on the outcomes of the Higher Education Academy's 2008/09 review of widening access strategies and Reaching Wider Partnership proposals. These include supporting HEIs to improve data collection and their work with looked after children and care leavers. We will continue to monitor closely during AY 2008/09 the impact on widening access of the introduction of flexible fees in Wales following the introduction of higher rate fees in England in AY 2006/07. We also recognise the important role of widening access during a time of recession in terms of upskilling and inclusion, taking particular account of *Skills that Work for Wales*.

Strategic objectives and outcomes

By 2012:

1) We will have enabled the sector to:

i) Address equality of opportunity through wider participation, measured by:

- Welsh Assembly Government objectives on ethnic minority and disabled student recruitment;
- Sector progress towards improving opportunities for looked after children and care leavers, including achievement of the Frank Buttle Quality Mark; and
- UK performance indicator on disabled student recruitment.

<p>ii) Contribute to addressing social inclusion to support economic upskilling, measured by:</p> <ul style="list-style-type: none"> • the number of all undergraduate new entrants to HE courses at UK HEIs and FEIs who are domiciled in the Welsh Communities First area. Measured by monitoring the proportion of undergraduate new entrants to courses who are domiciled in the Communities First areas equivalent to the 100 Most Deprived Electoral Divisions, which is targeted to rise from 8.9% to 11.4% by 2010; [Reaching Higher target] and • the Welsh HE sector to meet or exceed UK widening access performance indicators on entrants from low participation neighbourhoods, state schools and mature entrants.
<p>iii) Continue to achieve retention rates which compare favourably with the rest of the UK, measured by:</p> <ul style="list-style-type: none"> • retention rates for Welsh higher education institutions to be at least equal to published UK benchmarks.
<p>iv) Offer flexible and accessible higher education provision which meets the needs of groups which are under-represented in higher education, measured by:</p> <ul style="list-style-type: none"> • progress against the Credit and Qualifications Framework for Wales (CQFW) Implementation Plan and relevant evaluative documents; • outcomes of the National Student Survey and institutions' own surveys of student satisfaction, as monitored through the Quality Assurance Agency's (QAA) Institutional Review process.
<p>v) Collaborate effectively with the further education sector to widen access, as measured by:</p> <ul style="list-style-type: none"> • observance of good practice in partnerships between HE and FE institutions, taking account of the outcomes of the Welsh Assembly Government's consideration of the Webb Review, particularly its 'Transforming Education' proposals; and • Participation by FEIs and other partners in Reaching Wider partnerships.

2) To do that, HEFCW will have delivered:

<p>i) Funding and support for widening access activities/students in higher education institutions and the Reaching Wider partnerships, as assessed by independent evaluation.</p>
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ii) Support for work by institutions in improving equality of opportunity and diversity in the student population.

iii) Work with relevant sections within the Department for Children, Education, Lifelong Learning and Skills at the Assembly and other stakeholders to deliver the CQFW.

The 'deal for students'

delivering the highest quality learning and related support

We wish to see a higher education sector which compares favourably with the rest of the UK and overseas in terms of the provision of higher quality learning and teaching.

Context

Teaching excellence and the quality of the student learning experience remain key aims of higher education in Wales. HEFCW supports them by funding institutional learning and teaching strategies; encouraging institutions to make excellence in teaching a clear criterion for promotion; and supporting Wales-wide activity to share good practice in the sector. We work closely with the Quality Assurance Agency (QAA) to monitor institutional actions to secure the quality and standards of their awards. We also work with the HE Academy (HEA) to enhance the quality and standards of provision. We are currently working with the sector, QAA and HEA to review and further develop our approach to quality enhancement. In relation to European and Bologna developments, we also work with HEW and WHEB, with the HEA, with the UK HE Europe and International Units. Linked to this, we will work with WAG officials to develop an overarching strategy for international higher education in Wales.

Particular support is given to maintaining and developing Welsh medium provision, through both institutional funding, funding for collaborative activity and support for the Centre for Welsh Medium Higher Education. We will continue to work in partnership with the sector to embed the new strategic framework and national development plan for Welsh Medium higher education. In line with the Minister's wishes, we provide support to Professor Robin Williams in chairing the Coleg Ffederal Planning Board looking at how WAG's *One Wales* commitment on Welsh Medium provision can be taken forward.

HEFCW will support HEIs in maintaining their international reputation for the quality of the work they do to improve the graduate employability in Wales, not least through its delivery of an enhanced GO Wales programme following WEFO's December 2008 decision to award substantial Convergence Funding to the Council for renewed delivery of the programme from 2009 through to 2012. We will place a particular focus on enhancing graduate employability, particularly in the current economic climate, including through Go Wales.

We also will be contributing to the delivery of Welsh Assembly Government policy following the Leitch review of skills, as set out in its skills and employment strategy, *Skills That Work for Wales*, working particularly with the network of Sector Skills Councils (SSCs) to respond to issues of employer engagement, with a focus on higher level skills.

Strategic objectives and outcomes

By 2012:

1) We will have enabled the sector to:

<p>i) Continuously enhance the quality, standards and flexibility of provision, as measured by:</p> <ul style="list-style-type: none">• the proportion of all Welsh domiciled full-time HE students enrolled at UK HEIs who are studying at HEIs in Wales to rise from 60.1% to 70% [Reaching Higher target redefined by the Assembly, May 2007];• all HEIs to receive a judgement of 'confidence' by the QAA;• all HEIs to reflect the importance of excellent teaching through learning and teaching and human resources strategies, as assessed by independent analysis; and• the HE Academy to serve the needs of Welsh higher education institutions in enhancing quality and standards of provision, as assessed by independent consultants in the UK-wide evaluation which took place in 2007/08.
<p>ii) Offer a range of Welsh medium HE provision to meet the needs of Wales and the policies of the Welsh Assembly, as measured by:</p> <ul style="list-style-type: none">• the proportion of Welsh domiciled HE students in Welsh HEIs and FEIs undertaking some element of their course through the medium of Welsh to increase from 5.3% in 2000/01 to 7% in 2010/11. [Reaching Higher target redefined by the Assembly Government, May 2007].
<p>iii) Be fully engaged in European-wide HE developments stemming from Bologna process, as measured by:</p> <ul style="list-style-type: none">• all Welsh HEIs having engaged appropriately with the Bologna process;• regular use of Wales Higher Education Brussels' (WHEB) services; and• self-certification of CQFW within the Bologna Process Framework.
<p>iv) Make progressive improvements in overseas student recruitment, as measured by:</p> <ul style="list-style-type: none">• the percentage change in the number of overseas students attending HE courses in Welsh HEIs to be equal to, or greater than, the comparable figure for UK HEIs discounted for London and the South East of England. [Reaching Higher target]
<p>v) Gain appropriate work experience placements and employment for their graduates, so that:</p>

- employment of graduates from Welsh HEIs to be at least equal to UK average, as shown in annual *Performance Indicators in Higher Education in the UK*.

2) To do that, HEFCW will have delivered:

i) Effective partnership working with the QAA, HE Academy, UK HE Europe Unit, Wales HE Brussels, Sector Skills Councils, and the Centre for Welsh Medium Higher Education.

ii) Funding to support the Welsh medium national development plan.

iii) Continuing support for the Wales International Consortium.

iv) the renewed Graduate Opportunities Wales (GO Wales) programme now supported by new Convergence Funds for the 2009-2012 period

Research excellence

delivering improved research performance to underpin the knowledge economy and cultural and social renewal

Context

Research is essential for the creation of knowledge and for wealth creation through the application of that knowledge. HEFCW's principal aim is to ensure that the research base in Wales is of a quality which compares favourably with the rest of the UK and internationally. This is important both from the point of view of the standing of the Welsh higher education sector, and in order to enable Welsh higher education institutions to contribute fully to the economy, culture and society of Wales.

HEFCW has two other key policy priorities. Firstly, at a time when much of the best research, nationally and internationally, is increasingly of a collaborative and multidisciplinary nature, HEFCW is keen to ensure that research groupings in Wales are of a sufficient size and disciplinary range to be effective and sustainable. It is therefore using funding from its Reconfiguration and Collaboration Fund to support large-scale research collaborations and other developments which will help reshape the research base in Wales and achieve this objective. Secondly, HEFCW is working with the sector to help secure increased research income from sources other than HEFCW, particularly via Research Council grants and from the commercialisation of their research outputs. Building on the establishment of the first *One Wales* Research Centre, the *Wales Institute for Visual Computing*, in 2008-09, HEFCW will consider and provide advice on what further action can be taken to establish additional Research Centres and ensure their impact on the Welsh economy is maximised and monitored.

The quality of research in HEIs in the UK is assessed periodically through the UK-wide Research Assessment Exercise (RAE), which is conducted jointly by the four UK higher education bodies. The last RAE in its present form took place in 2008, and the outcomes have begun to inform funding allocations from 2009/10 onwards. HEFCW is also joining the other UK funding councils in 2009 in considering future arrangements for the assessment of research quality by making greater use of metric indicators (known as the Research Excellence Framework – REF).

HEFCW currently provides annual funding support for research. The majority of this funding is allocated through the QR funding stream to reward and reinforce research excellence on the basis of the outcomes of the RAE. HEFCW also provides funding for the training of postgraduate research students and support for investment in physical research infrastructure.

Strategic objectives and outcomes

By 2012:

1) We will have enabled the sector to:

i) achieve a standing which compares well with the rest of the UK in terms of the quality and volume of research, as demonstrated by:

- the outcomes of the 2008 Research Assessment Exercise (RAE);
- the achievement by Welsh HEIs of a 4.5% share of UK Research Council funding, compared with 3.3% in 2000/01; [Reaching Higher target]
- the achievement by Welsh HEIs of a 100% increase in research income attracted from external sources other than the Research Councils, compared with the 2000/01 baseline of £55.7 million; [Reaching Higher target]
- all HEIs that offer research degree programmes to receive a judgement of 'confidence' from the QAA.

ii) achieve a strong research profile in areas of social, economic and cultural importance to Wales in response to emerging Assembly priorities, as demonstrated by research income and RAE measures as above.

2) To do that, HEFCW will have delivered:

i) A revised research funding method which articulates with the revised arrangements for research assessment.

ii) A supportive funding mechanism for research degree programmes.

iii) Continued investment in the physical infrastructure for research.

iv) Support, in the context of the Reaching Higher, STFWF and One Wales agendas, for areas of significance to Wales.

Benefiting the economy and society

delivering more productive relationships between higher education institutions and the public and private sectors, other agencies and local communities

So that the sector:

- stands well in comparison with others in terms of economic, social and cultural activity; and
- engages actively and fully with communities, business and the public sector in pursuit of the Assembly's core economic and social goals.

Context

The Welsh higher education sector makes a significant contribution to the economic, social and cultural well-being of Wales. Collectively, our HE institutions generate more than £1 billion per annum in gross expenditure to the Welsh economy, account for 1.4% of the total Welsh workforce, and are major employers in Wales. Third mission activities in higher education institutions stimulate and direct the application and exploitation of knowledge, and engagement with the local community, to the benefit of the social, cultural and economic development of society. Higher Education plays a crucial role in addressing the economic downturn, supporting individuals, communities and business across Wales.

By 2007/08 our Third Mission Fund had doubled to £6.1m per annum to reflect the increasing recognition of the role of HEIs in supporting economic, social and cultural development. These funds help the sector to:

- deliver key Assembly Government Strategies and policies, including *W:AVE, Skills that Work for Wales, the Wales Spatial Plan, Science Policy and Action Plan for Education for Sustainable Development and Global Citizenship* (ESDGC);
- ensure Welsh HE makes an appropriate contribution to UK-wide policy imperatives such as those deriving from the Leitch Review, DIUS's *Innovation Nation* report and Her Majesty's Treasury's 10 year *Science and Innovation Investment Framework*;
- enable Wales to participate in relevant European and wider international third mission activities, opportunities under Framework 7 and the Review of the European Research Area.

Third Mission Fund allocations are an important part of enabling the sector to respond to all these agendas, enhanced strategically by the Assembly Government's A4B programme (its successor to, among others, the Knowledge Exploitation Fund) monies and, of course, other elements of HEFCW funding which can be deployed indirectly to support such activities.

The sector is also expected to play its appropriate part in other developments of significance to Wales such as relations with the refreshed Sector Skills Councils network, following the establishment of the UK Commission for Employment and Skills (UKCES) and the related Wales Employment and Skills Board

(WESB). It will also be expected to respond to the challenges to HE laid down by the development of the Ministry of Defence training academy at St Athan, as they emerge over the next 10 years. There will also be a continuing need to take forward the relevant requirements of the Assembly's *Education for Sustainable Development and Global Citizenship* (ESDGC) Strategy for Action.

We work closely with the Assembly Government, and in particular with the DCELLS and the Department for the Economy and Transport (DE&T), to ensure that the sector plays its full part in helping the Assembly deliver its economic, social and cultural objectives, as well as contribute fully on the UK and international stages, focussing particularly in this plan period on measures to address the economic downturn.

Strategic objectives and outcomes

By 2012:

1) We will have enabled the sector to:

<p>i) Better articulate its contribution to economic and social well-being in Wales and beyond as measured by the delivery of third mission strategies that set out each HEI's particular strengths/areas of expertise and contain verifiable performance indicators for evaluating each HEI's contribution to the economy and society, especially in terms of annual monitoring statements.</p>
<p>ii) Contribute to improved business performance, enhanced employment opportunities and higher levels of GDP in Wales through increased engagement with employers and their representative bodies (especially Sector Skills Councils), as measured by:</p> <ul style="list-style-type: none"> • graduate percentage of working population in Wales increased beyond 15% (IES report); • HEI engagement with priorities identified through the development of Sector Skills Agreements; • more collaborative research and development (as measured by the annual UK-wide HEBCIS (HE Business and Community Interaction Survey)); • increased technology and knowledge transfer (as measured by the HEBCIS); and • delivery of the <i>Reaching Higher</i> target of doubling spinouts from Welsh HEIs by 2010, a target of 42 profitable spinout companies (reported via the HEBCIS). [Reaching Higher target]
<p>iii) Attract European and other funding to maximise its contribution to economic, cultural, environmental and social well-being, as measured by the verifiable indicators of performance included within institutions' third mission strategies.</p>
<p>iv) Deliver the trained doctors, dentists, nurses and other health professionals needed in Wales to support the NHS and the Assembly's objectives for fitter and healthier citizens, as measured by meeting quota targets set by the Assembly.</p>
<p>v) Embed approaches to sustainable development in its overall strategic</p>

planning to ensure that in all aspects of their activities HEIs deliver sustainable impacts, as measured by evidence provided in the various plans requested from HEIs by HEFCW.

2) To do that, HEFCW will have delivered:

i) A range of metrics enabling HEFCW and other stakeholders to monitor and evaluate the sector's contribution to economic and social well-being.

ii) Support to the higher education sector in diversifying sources of non-HEFCW funding to support and develop third mission activities.

iii) Increased levels of direct interaction with the Sector Skills Councils and other employer representative bodies in Wales in order to strengthen links between HEIs and employers.

iv) More effective partnership working (particularly with the Assembly) to ensure that the sector's contribution to key Assembly economic and social objectives is fully utilised and recognised.

v) Support to HEIs in adopting a more holistic approach to activities across all three HE mission areas (Research, Teaching and Third Mission) that enables them to articulate more effectively their impact on economic, social and cultural well-being.

Initial teacher training (ITT)

delivering newly qualified teachers of high quality

We wish to contribute to the Assembly's overall policies and strategy for learning in schools in Wales

Context

HEFCW is committed to delivering newly qualified teachers of the highest quality. We work with the sector to achieve intake targets set by the Welsh Assembly Government for trainee teachers at primary and secondary level, and with Estyn to secure the quality and standards of ITT provision. Our funding for ITT strategies encourages institutions to take a more strategic approach to ITT, combining the relevant priorities of HEFCW, Estyn and the Assembly Government, including that for Welsh Medium ITT provision. We have been working closely with the institutions to reconfigure the ITT sector in response to the Welsh Assembly Government's Review of ITT in 2005/06. We will continue to work with ITT providers to establish three new Centres of Initial Teacher Education covering South West Wales; South East Wales and North and Mid Wales.

Strategic objectives and outcomes

By 2012:

1) We will have enabled the sector to:

i) Meet the overall ITT intake targets set annually by the Welsh Assembly Government, as measured by:

- annual analysis of recruitment against intake targets;
- strategic planning by providers in the area of ITT.

ii) Gain positive outcomes to Estyn inspections of ITT, as measured by:

- 80% of initial teacher training courses to achieve grade 2 or above in key question one of the Estyn Common Inspection Framework.

iii) Maintain and develop Welsh medium ITT provision, as measured by:

- HESA data on Welsh Medium ITT and performance against Primary Undergraduate Welsh medium intake targets; and
- evidence of progress within ITT strategies.

2) To do that, HEFCW will have delivered:

i) Support to the sector to reconfigure in order to meet more effectively the Assembly's projections of the need for trained teachers in Wales.

ii) Support for secondary ITT recruitment activities via ITT strategy funding.
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iii) Effective partnership working with Estyn to develop the quality and standards of ITT provision across the sector.
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iv) Funding and support for Welsh medium ITT through ITT strategy funding and other Welsh medium funding allocations.

Making it work: The higher education sector in Wales

a strong emphasis on reconfiguration, collaboration, and other measures to sustain improved performance of individual institutions and the HE system as a whole

A higher education system that, through individual and collaborative activity, offers diverse provision, is widely recognised as serving the needs of Wales, and is competitive on at least a UK-scale.

Context

Reconfiguration and collaboration remains the key priority under the Assembly's *Reaching Higher* strategy. We have established a Reconfiguration and Collaboration Fund for supporting major, well-founded proposals for higher education institutions to merge or work together in clusters or networks of excellence in teaching, research and third mission activities. In addition to the mergers of Cardiff University and the University of Wales College of Medicine, and Merthyr College and the Royal Welsh College of Music and Drama with the University of Glamorgan, we are currently evaluating merger proposals from Trinity University College Carmarthen and the University of Wales, Lampeter. A number of significant partnerships have also been supported through the Reconfiguration and Collaboration Fund. One of these is the new *One Wales* Research Centre, the Wales Institute for Visual Computing, led by Bangor University and launched earlier this year. A report from the Wales Audit Office (WAO) in January 2009 gave broad confirmation of our administration of the Fund. We will further develop our arrangements in the light of the Assembly Government's response to the report. We will also work with others to ensure that the HE sector engages fully with the agenda set out in *Transforming Education and Training*.

We introduced a new Strategic Development Fund, of £3m per academic year, in 2005 and will double this to £6m in 2009/10. Contributions have been made to a number of research initiatives which have allowed further research funding to be levered into Wales. In addition the Strategic Development Fund currently supports a wide variety of projects, ranging from individual institutional investment enabling essential restructuring, to collaborative ventures in the Heads of Valleys. Support from the Strategic Development Fund helped secure a key *One Wales* priority – the development of the North East Wales Institute to full University status. Glyndŵr University was launched in 2008.

We commissioned during the previous planning period a review of post-92 higher education provision in South East Wales. We will continue to work with the institutions concerned to see how best to implement the vision presented in the report. We will also work with Professor Deian Hopkin in carrying out the work that has been commissioned by the Welsh Assembly Government and respond to subsequent recommendations and proposals.

We will continue over the planning period to look at further ways of meeting the Assembly's requirement for HEFCW to develop a more strategic approach

towards the use of core funding and funding earmarked for the *Reaching Higher* agenda, in conjunction with on-going work to strengthen the HE sector through reconfiguration and collaboration. In 2009/10 we are using strategic funding to further support research, taking account of the outcomes of RAE 2008.

We will also use strategic funding to support a new Matched Funding Scheme, designed to encourage voluntary giving to universities and colleges by matching gifts with HEFCW funding.

Our new Economic Support Initiative, established to further encourage the engagement of the HE sector in Wales, helping to counter the impact of the economic downturn on individuals and employers, is also supported from this funding. In the economic downturn, we will also be encouraging institutions to further consider their roles as significant local and regional employers, for example by supporting the government's drive to increase the availability of apprenticeships.

We also highlight under this Strategic Aim various activities undertaken in relation to our responsibilities for monitoring and evaluating the HE sector's performance, and our role in providing advice and guidance on leadership, governance and management issues. For example, we have issued revised versions of the Financial Memorandum and Audit Code of Practice which came into effect from 1 August 2008. We are also reviewing our framework for strategic engagement with the sector and our institutional risk assessment approach, so that we focus more clearly on the key strategic issues facing institutions, and on longer term institutional sustainability. In the area of governance, we are working with the Committee of University Chairmen, the Leadership Foundation and the other funding bodies on several projects further to embed good governance in the sector. In addition, we will be developing, in consultation with HEW and CHEW, an information toolkit for governors of key performance measures for each institution, based on published information and data. The toolkit will be developed to include comparative information for other appropriate HEIs, or groups of HEIs, to provide further benchmarking and contextual information for governors.

Strategic objectives and outcomes

By 2012:

1) HEFCW will have enabled the higher education sector in Wales to be characterised by:

i) No institution being in a marginal or unsatisfactory financial position, and no institution being regarded as high risk in terms of governance, strategic direction and sustainability as measured by:

- no institution to be in a marginal or unsatisfactory financial position.
- no institution to be regarded as high risk in terms of strategic direction and longer term sustainability

<ul style="list-style-type: none"> • clear evidence of value for money programmes, as measured by delivery of value for money action plan targets under the Assembly's Making the Connections' policy, including sustainable procurement strategies.
<p>ii) Being well-governed and managed, as evidenced by:</p> <ul style="list-style-type: none"> • no institution regarded as high risk in terms of governance; • Key Performance Indicators linked to the strategic plan and monitored by the governing body • all institutions paying active attention to the various dimensions of equality and diversity, evidenced through their strategic and other plans and strategies and meeting statutory responsibilities as a minimum as evidenced by external evaluation; • no institution to be providing unreliable or inaccurate funding and other statistical data to any HE regulatory body as evidence by periodic internal audit reports commissioned by institutions and their governors and external audit reports commissioned by HEFCW • median administrative cost per FTE student for Welsh HEIs to drop from the level of the 45th percentile (2000/01) for administration costs per FTE student in UK HEIs to the 25th by 2010/11; [Reaching Higher target] • estates strategies which are consistent with the Strategic Plans, and fully reflected within the financial forecasts of the institution; • sustainable procurement strategies within value for money programmes; and • appropriate and effective environmental management systems.
<p>iii) Being reconfigured in a way which better enables it to stand well in comparison with the UK as a whole in terms of accessing UK and European research funding and to provide improved services to learners, the economy and society throughout Wales, as measured by:</p> <ul style="list-style-type: none"> • other indicators already identified above; • clear evidence of mergers and/or substantial, structural and sustainable collaboration between institutions; • clear progress towards meeting the Reaching Higher targets based on collaborative developments; • clear evidence of HE Sector contribution towards meeting WAG Science Policy targets based on collaborative developments; and • clear evidence of increased capital investment in development of the HE estate.

2) To achieve that, HEFCW will have delivered:

i) A successful programme of Reconfiguration and Collaboration Fund projects to underpin effective collaboration in all areas of activity, as evidenced by the implementation of project outcomes, including (as appropriate) merger.

ii) Strategic support, including more strategic use of core funding, based on close understanding of institutions' plans and performance, and the evolving HE landscape, which contributes to the development of the sector.

iii) Sustained support to the Leadership Foundation in respect of an agenda for senior managers and governing bodies.

iv) Further support on human resources, procurement and estates strategies, and the equalities and diversity agenda.

Making it work: HEFCW

being an effective public sector body by:

- *having the capability and infrastructure that enables us to work effectively internally and with all our stakeholders and partners (especially the Welsh Assembly Government and the HE sector in Wales)*
- *being an employer of choice*

Context

HEFCW recognises that it can only deliver its policy objectives and provide an effective service to the Welsh Assembly Government, the HE sector and other stakeholders if it provides an environment in which its staff can realise their full potential.

We have ensured our systems and processes are effective to enable HEFCW to deliver the results expected. One demonstration of this was HEFCW's reaccreditation against the new Investors in People standard following a review in October 2006. We will be undertaking a further re-assessment in 2009. We are determined to develop further in order to ensure that HEFCW is continuously improving and is an organisation capable of meeting future challenges. To this end we have implemented a structure with two directorates supporting the Chief Executive, and with a reduced number of teams. This should enable us to provide more strategic focus, as well as more flexibility in the use of staff within and across teams to address the strategic agenda. .

In 2007 we adopted a set of values and behaviours following extensive consultation within the organisation. The challenge now is for us to demonstrate these values and behaviours both internally and externally. We have redesigned our competency framework to ensure that it reflects the values. We also conducted a self-assessment process under the European Foundation for Quality Management (EFQM) Excellence Model, which has helped us to identify areas where further action is required, including ensuring the necessary leadership and management commitment. Further consideration as to whether to conduct further EFQM self-assessments will be discussed in 2010 following an evaluation of the outcomes of the first review.

HEFCW depends on its staff to deliver its objectives. We must therefore recruit and develop staff who perform effectively and who display the values and behaviours of the organisation and must reward them appropriately. We have carried out an equal pay audit which has demonstrated that our job evaluation and pay mechanisms are fair. HEFCW has also undertaken a full review of its pay, grading, job evaluation and performance management scheme to support it being an employer of choice. The outcomes of this review are currently being discussed with the Welsh Assembly Government, with the aim of implementing the proposals during 2009-10.

HEFCW relies on four main mechanisms for assessing the degree to which it has met its objectives. These are:

- Welsh Assembly Government performance reviews
- Investors in People (IIP)
- Stakeholder surveys
- Staff surveys

The first stakeholder survey was conducted in 2007-08, and was largely positive, although highlighting a number of areas where we need to improve our effectiveness or our presentation. We have developed an action plan in response to the survey's finding which focuses on three key areas namely: improving communications; developing our engagement with institutions and engaging with key stakeholders to clarify their understanding of the role of HEFCW and its Council.

We will continue to prepare for the forthcoming Welsh Assembly Government Governance Review of HEFCW, due to begin in May 2009.

Strategic objectives and outcomes

By 2012:

1) We will be:

i) An organisation that works efficiently and effectively with the sector, the Welsh Assembly Government and other partners and stakeholders as evidenced by:

- Welsh Assembly Government performance reviews;
- periodic external stakeholder surveys, with a trend of increased positive feedback; and
- continually improving delivery, demonstrated by achievement against our *Making the Connections* action plan.

ii) An organisation that is an "employer of choice", as evidenced by:

- staff satisfaction surveys; and
- staff turnover rates benchmarked against other appropriate employers.

2) And we will have delivered:

i) Funding and strategy that fulfils our remit and delivers good value for money, as evidenced by Assembly performance monitoring and review, monitoring against value for money action plans and the outcomes of stakeholder surveys.

ii) Mainstreaming in all our business processes (including programme activities, finance and procurement processes, and estates management) of the Assembly's duties towards sustainable development, equality, partnership working, information security, risk management and promoting the Welsh language.

iii) Continued accreditation against the Investors in People standard.

Annex A

Promoting the Assembly's values, principles and cross-cutting themes

HEFCW works to support the development and delivery of the Assembly's strategic agenda and this is clearly reflected in the direction mapped out in this three-year plan. In addition to delivering the Assembly's long-term strategy for higher education, *Reaching Higher*, HEFCW also has an important role to play in supporting *One Wales: A progressive agenda for the government of Wales; Skills that Work for Wales* and supplementary documentation, including *Transforming Education and Training in Wales*, by maximising the contribution of the HE sector to the achievement of key national strategies. HEFCW is also committed to playing its part in the drive for improved public services in Wales as set out in the Assembly's *Making the Connections* agenda.

Professor Merfyn Jones has been asked by the Minister for Children, Education, Lifelong Learning and Skills to chair a task and finish group which has undertaken a review of the mission, purpose, role and funding for higher education. We expect to take account of the Minister's response to the Jones' Review during the period of this plan, once published.

Our work impacts on all four of the priority outcomes identified in *Wales: A Better Country*. In partnership with relevant sections within DCELLS and DE&T, and in the context of the Assembly's skills and employment strategy, *Skills that Work for Wales*, we have a key role to play in delivering the priorities for 'creating better jobs and skills' and 'helping more people into jobs'. HEFCW and the HE sector in Wales also contribute to meeting the priorities for 'improving health' (via the education of doctors and other health service professionals, and health-related research) and for 'developing strong and safe communities' (via HEIs' community outreach work, provision of training of relevant professionals, and their role as important local employers and purchasers).

The delivery of HEFCW's strategic aims will demonstrate our clear and positive support for the outcomes targeted in *Wales: A Better Country*. We will ensure that its cross-cutting themes of sustainable development, equality, partnership working and bilingualism continue to be mainstreamed into all of our core activities and business processes. In particular, our *Making the Connections* action plan demonstrates how our work embraces the Assembly's four principles of better service:

- 'citizen-centred' approach;
- equality and social justice;
- working together as the Welsh Public Service; and
- value for money.

We will also contribute to:

- the implementation of the *Wales Spatial Plan*, through the actions of HEIs distributed across Wales;

- taking forward, with the HE sector, the relevant recommendations in the *Education for Sustainable Development and Global Citizenship Action Plan*;
- the delivery of local authorities' Community Strategies, including through the activities of the Reaching Wider partnerships;
- the recommendations of, and the Assembly's response to, the report of the review of local service delivery (the Beecham Review), including through the activities of the Reaching Wider partnerships, our work to encourage HEIs to address the particular needs of care leavers, and HE engagement with the Spatial Plan; and
- the work of Community First Partnerships, where appropriate, in the delivery of Community Action Plans and in impacting on child poverty.

Annex B

Working in partnership

In taking forward both our long-term objectives, and the particular priorities we have set ourselves for the planning period, we remain committed to working in partnership and in consultation with other Assembly Government Sponsored Bodies, other partners, key stakeholders and the voluntary sector, as appropriate.

Welsh partners

We are already working, or are planning to work, collaboratively with a number of partners in Wales in relation to key strategic areas identified within this document or to key Assembly strategies. These include:

- Welsh Assembly Government
- Higher Education Wales (HEW)
- Chairs of Higher Education Wales (CHEW)
- University of Wales
- Wales Audit Office
- Welsh Language Board
- Confederation of British Industry (CBI) Wales
- Federation of Small Businesses
- SKILL Wales
- Equality and Human Rights Commission Wales
- Fforwm
- University and College Union
- National Union of Students Wales
- Estyn
- General Teaching Council for Wales
- Sector Skills Councils in Wales
- Careers Wales
- All Wales Ethnic Minority Association (AWEMA)
- Wales Council for Voluntary Action (WCVA)
- Wales Management Council
- Higher Education Purchasing Consortium Wales (HEPCW)
- Welsh Higher Education Finance Directors Group (WHEFDG)
- Wales Employment and Skills Board

UK partners

We will also continue to work closely with the following UK partners in taking forward our Strategy and Plan:

- other UK HE funding bodies (HEFCE, SFC, DELNI)
- Universities UK (UUK)
- Quality Assurance Agency
- Equality Challenge Unit
- Research Councils, Research Council UK (RCUK), and the Office of Science and Innovation (OSI)

- Higher Education and Research Opportunities in the UK (HERO)
- Joint Information Systems Committee (JISC)
- UKERNA
- UK Healthcare Education Advisory Committee (UKHEAC)
- British Universities' Finance Directors' Group
- Forum for the Future
- Commission for Employment and Skills (CES)
- Alliance of Sector Skills Councils
- the Higher Education Statistics Agency (HESA)
- Leadership Foundation for Higher Education
- Higher Education Academy
- UK HE Europe and International Units
- UK Council for Graduate Entrepreneurship
- Training and Development Agency for Schools (TDA)
- UCAS
- Graduate Teacher Training Registry (GTTR)
- the Carbon Trust
- Environmental Association of Universities and Colleges
- Association of Universities Directors of Estates.

In taking forward the activities set out in this document, and as part of its continuous development each year, we shall ensure coherence, as appropriate, with other key Assembly strategies, including:

- One Wales
- Reaching Higher
- Skills that Work for Wales
- Transforming Education and Training in Wales
- Delivering Skills that Work for Wales: A new approach to Adult Community Learning (consultation)
- The Learning Country: Vision into Action
- Wales Spatial Plan
- Wales: A Better Country
- Making the Connections
- A Plan for Wales
- Cymru Ar-lein
- WAVE (Wales: A Vibrant Economy)
- the Assembly's Science Policy
- Iaith Pawb (The National Action Plan for a Bilingual Wales)
- Languages Count (The Welsh Assembly Government's National Modern Foreign Languages Strategy)
- The Nexus Report
- Cymru Creadigol
- ESDGC Strategy for Action

We will also encourage all HEIs to engage with their neighbouring local authorities and their partners, including relevant voluntary groups, in preparing community strategies, not least under Reaching Wider and via the Wales Spatial Plan regional working groups.

Annex C

Improving operational efficiency, standards of service and customer care

Under our Strategic Aim of 'Making It Work: HEFCW', we aim to ensure that we:

- work efficiently and effectively, delivering value for money according to our value for money action plan under *Making the Connections*;
- are a model employer in all respects, not least with regard to equality of opportunity; and
- fulfil the Assembly's expectations and those of the Information Commissioner in respect of Freedom of Information and records management.

We intend, over the period of this plan, to:

- consolidate our organisational design and working practices;
- complete the review of our committee structure and implement changes arising from the review;
- consider further measures to improve our efficiency and effectiveness, including taking forward the key findings from the EFQM self-assessment exercise conducted during financial year 2006-07; and
- keep under review our Publication Scheme, and further develop our records management systems and procedures to ensure that we continue to meet our obligations under the Freedom of Information Act, Data Protection Act and Environmental Regulations.
- Implement the communications action plan to address the matters arising from the stakeholder survey with priority given to updating the HEFCW website.

Standards of service

We will review our services against the core standards for 'customer service' and 'public engagement' presaged in *Delivering the Connections* on the basis of the detailed standards, associated guidance and good practice advice due to be issued by the Assembly.

In the meantime, we will continue to:

- issue our Recurrent Grant by the end of each March for the academic year ahead;
- make prompt payments to institutions of profiled funds;

- respond to/provide feedback on institutions' strategies within 3 months of receipt;
- ensure the Chief Executive visits each HE institution in Wales yearly;
- regularly communicate information of 'topical' interest via our website and other means;
- respond to all correspondence within 20 working days, and meet all requests for information within 20 working days as required under the Freedom of Information Act;
- pay all suppliers of goods and services to HEFCW within 10 days of receipt of a valid invoice;
- meet the requirements set out in our Welsh Language Scheme;
- be committed to providing an equally high standard of service to the public in Welsh and English, in accordance with the principle of treating the Welsh and English languages on the basis of equality;
- meet the requirements set out in our Single Equality Scheme; and
- maintain *Investors in People* recognition.
- Maintain Information Security standard IS27001 accreditation.

Reducing environmental impact

We will:

- implement the improvements identified within the Environmental Improvement Plan; and
- monitor and record existing environmental impacts.

Procurement

We will:

- endeavour to procure goods, services and works in a sustainable manner, taking social and environmental factors into consideration alongside financial and qualitative factors;
- use the Assembly's guidance to assess and measure our current position and implement an action plan to further improve our work on sustainable procurement, to meet Assembly Government sustainable procurement targets;

- make use of available e procurement technology to continue to streamline our procurement processes;
- adopt the Assembly Government's 'Opening Doors, The Charter for SME Friendly procurement'; and
- continue to monitor procurement savings against the *Making the Connections* procurement savings target, and implementing use of the Assembly Government's Benefits Reporting Model.

	(£m)	Reaching Wider	The 'Deal For Students'	Research Excellence	Benefiting the Economy and Society	ITT	Making It Work: HE sector
Third mission Funding							
Third Mission Fund	6.4			●	●		
GO Wales	1.8		●		●		
Spin Out	0.25						
Total	8.45						
Strategies & Initiatives							
Strategic Development Fund	5.3						●
Joint Information Systems Committee (JISC)	3.4	●	●	●	●	●	
Subjects of Broader Importance to Wales	0.75	●			●		
Leadership Foundation	0.06						●
CEO Fund	0.4	●	●	●	●		●
Widening Access Fund	1.898	●	●		●		
Welsh Medium (Fund and Unit)	0.52	●			●		●
Initial Teacher Training (special initiatives, strategy and partnerships)	1.49					●	
Part-time fee waiver Scheme + ERASMUS Reimbursement	2	●	●				
Learning and Teaching strategies	2.54	●	●				
Cardiff University – North Wales Clinical School	1.1				●		
Economic Challenge Initiative	1.3				●		●
Small Scale Studies	0.862	●	●	●	●	●	●
Total	21.62						
Recurrent Total	410.051						
Capital Funding							
Research	10.8			●	●		
Teaching	13	●	●		●		
Capital Total	23.8						
Financial Year Allocations 2009-10							
Reaching Higher:							
- Reconfiguration and Collaboration	21.1	●	●	●	●	●	●
- Reaching Wider	2.1	●			●		●
- Reaching Higher capital	11.25	●	●	●	●	●	●
Reaching Higher TOTAL	34.45						

Annex E

Corporate governance and compliance arrangements

Accountability of the HEFCW

The Chief Executive is accountable to the Welsh Assembly Government and to the National Assembly for use of the public funds made available to HEFCW.

The relationship between HEFCW and the Assembly Government is defined in a Management Statement and Financial Memorandum. The Financial Memorandum details the requirements on HEFCW to ensure the regularity and propriety of expenditure from public funds, and also sets out the Assembly's expectations with regard to HEFCW's financial relationship with institutions.

HEFCW has a detailed set of financial regulations and procurement procedures, which seek to ensure that HEFCW's business is transacted in accordance with the Management Statement and Financial Memorandum, Government accounting and all other relevant Treasury, Assembly government and National Audit requirements.

HEFCW's external auditors are the Wales Audit Office, who audit HEFCW's accounts, including the statement on Internal Control which the Chief Executive draws up every year to demonstrate how HEFCW's internal processes provide assurance of propriety and regularity.

HEFCW's internal audit service carries out regular audits of the full range of HEFCW activities and reports its findings to HEFCW's Audit and Risk Committee. The Audit and Risk Committee oversees management's response to the recommendations of both the internal and external auditors.

The Minister holds annual monitoring meetings with the Chairman and Chief Executive, and the Assembly Government conducts quarterly performance monitoring meetings with the Chief Executive and other senior officers.

Responding to the environment and managing risk

As an intermediary body between the Assembly and the HE sector in Wales, we act within an environment over which we exercise influence rather than control.

We have adopted a risk-based approach to internal control which is designed to provide reasonable assurance that we will achieve our corporate objectives and overall mission. We have developed Risk Management Policy and Guidelines which sets out the framework within which HEFCW identifies and evaluates risks so that an appropriate response can be determined and effected.

The Council

HEFCW's Council comprises a maximum of 12 members, including the Chairman and the Chief Executive. The Council normally meets eight times a year. Meetings are attended by an assessor from the Assembly Government.

The Chief Executives of the Higher Education Funding Council for England and the Scottish Funding Council, the Deputy Secretary responsible for higher education at the Department for Employment and Learning Northern Ireland, and the Director General of the Research Councils have observer status on the Council.

The Council has a number of standing committees, including:

- Learning and Teaching Committee;
- Research, Innovation and Engagement Committee;
- Reconfiguration and Collaboration Committee
- Audit and Risk Committee
- Human Resources Committee;
- Remuneration Committee;
- Appointments Committee

All Council members and HEFCW staff are required to abide by a Code of Practice and to register financial, political and other interests relevant to the business of the Council. The Council has developed, and reviews annually, *Standing Orders for the Conduct of Council Business*, a *Scheme of Delegation* and a detailed set of *Financial Regulations*.

Corporate and operational planning

Each year we review and update this strategy as necessary. We review the long-term outcomes against each of our strategic aims. A separate operational plan details the specific targets and actions required by the Welsh Assembly Government as set out in HEFCW's latest Remit Letter.

Our Corporate Strategy and Operational Plan are submitted each year to the Assembly for approval. Performance against the targets in our Plans is monitored via:

- annual monitoring meeting between the DCELLS Minister, Chair and Chief Executive (each October);
- quarterly monitoring meetings with Welsh Assembly Government officials from HEFCW's sponsoring division;
- quarterly progress reports to Council; and
- regular internal reviews by HEFCW's Management Board.

Bilingual policy

In accordance with our Welsh Language Scheme, we are committed to the principle that in providing services to the public in Wales the Welsh and English languages should be treated on the basis of equality. We have also developed a Welsh Language Mainstreaming Strategy, which outlines how we intend to mainstream consideration of the Welsh language into our policy making and service delivery processes.

Complaints, allegations and public interest disclosure procedures

We have developed procedures for dealing with complaints against HEFCW, allegations concerning institutions funded by HEFCW, and public interest disclosure. We are one of a number of public bodies potentially subject to investigation by the Welsh Administration Ombudsman.

Publication Scheme

We have adopted the Information Commissioner's Office (ICO) Welsh Assembly Government model Publication Scheme. It sets out: the information we publish, or intend to publish, as a matter of course; how this information will be published; and whether the information is available free of charge or on payment.

Equality Scheme

We published our single Equality Scheme in 2008. With the 2006 Equality Act there has been a legislative steer towards pan-equality approaches to this agenda. Our Equality Scheme aims not simply to bring together our existing equality schemes and action plans for disability, gender and race, but also to provide information on our work in the areas of age, religion and belief, sexual orientation and equality more generally, whilst also detailing our intentions to go beyond mere compliance with the legislation. By engaging with all strands in a coherent and holistic way we hope to reduce bureaucracy, encourage effective implementation, and most importantly ensure that equality is properly mainstreamed into our core activities

Annex F**Abbreviations**

AGSB	Assembly Government Sponsored Body
AWEMA	All Wales Ethnic Minority Association
CHEW	Chairs of Higher Education Wales
CQFW	Credit and Qualifications Framework for Wales
DCELLS	Department for Children, Education, Lifelong Learning and Skills
DE&T	Department for the Economy and Transport
DELNI	Department for Employment and Learning Northern Ireland
DIUS	Department for Innovation and Universities and Skills
EFQM	European Foundation for Quality Management
ESDGC	Education for Sustainable Development and Global Citizenship
ESF	European Social Fund
FE	Further Education
FEIs	Further Education institutions
FTE	Full-Time Equivalent
GO Wales	Graduate Opportunities Wales
HE	Higher Education
HEA	Higher Education Academy
HEBCIS	Higher Education Business and Community Interaction Survey
HEFCE	Higher Education Funding Council for England
HEFCW	Higher Education Funding Council for Wales
HEIs	Higher Education institutions
HERO	Higher Education & Research Opportunities in the UK
HESA	Higher Education Statistics Agency
HEW	Higher Education Wales
HMT	Her Majesty's Treasury
liP	Investors in People
ITT	Initial Teacher Training

JISC	Joint Information Systems Committee
NHS	National Health Service
OSI	Office of Science and Innovation
OU	Open University
QAA	Quality Assurance Agency
QR	Quality Research
RAE	Research Assessment Exercise
RCUK	Research Councils UK
SFC	Scottish Further and Higher Education Funding Council
SRIF	Science Research Investment Fund
STFWF	Skills that Work for Wales
TDA	Training and Development Agency for Schools
UKHEAC	UK Healthcare Education Advisory Committee
UUK	Universities UK
UW	University of Wales
WAO	Wales Audit Office
W:AVE	Wales: A Vibrant Economy
WIC	Wales International Consortium
WCVA	Wales Council for Voluntary Action
WEFO	Welsh European Funding Office
WHEB	Wales Higher Education Brussels
WORD	Wales Office of Research and Development for Health and Social Care