
**Minutes of the 131st meeting of the Council held 3 July 2009 at HEFCW
Offices, Cardiff**

Present:

Members: Mr Roger Thomas (Chairman)
Professor Philip Gummatt (Chief Executive)
Mr David Allen
Dame Sandra Burslem
Professor Leni Oglesby
Mr Ken Richards
Professor Sir Brian Smith
Professor Garel Rhys
Professor Mari Lloyd-Williams

Observers: Ms Riona Bell, Director of Funding, Scottish Funding Council
Mr Mike Hopkins, Head of Lifelong Learning + Providers Division
(DCELLS, Welsh Assembly Government)
Dr John Selby, Director, Education and Participation, HEFCE
Charlotte Thomas, Governance in Wales, Welsh Assembly
Government
Linda Whittaker, Governance in Wales, Welsh Assembly Government

Officers: Dr David Blaney
Dr Ewen Brierley (from Minute 10)
Mr Roger Carter
Ms Alison Haggett
Ms Niina Hammond
Mr Richard Hirst
Ms Celia Hunt
Ms Bethan Owen
Ms Emma Raczka (from minute 10)
Ms Linda Tiller (to minute 10)
Mr Nick Williams (to minute 10)

Apologies: were received from Mrs Pauline Thomas.

1 INTRODUCTORY REMARKS AND DECLARATIONS OF INTEREST

Council noted:

1.1 The following standing members' interests were declared:

- Mr David Allen as a Board Member of the Leadership Foundation for Higher Education.
- Professor Philip Gummatt whose partner is employed at Swansea Metropolitan University.
- Mr Ken Richards as a Member of Aberystwyth University Investments Committee
- Professor Sir Brian Smith as International Ambassador for Cardiff University.
- Mr Roger Thomas as former Chair of Governors of the University of Glamorgan, Member of Steering Group for Governing Bodies and Equality Project, the Equality Challenge Unit and Honorary Doctor of the University of Glamorgan.

2. MINUTES OF THE MEETING HELD ON 8 MAY 2009 (HEFCW/09/MIN130)

Resolved: that the Minutes be accepted as a true record of the meeting held on 8 May 2009.

3. MATTERS ARISING (HEFCW/09/45)

3.1 Council received and noted a report on action taken following the previous Council meeting held 8 May 2009.

3.2 Resolved: to note the contents of the report.

4. CHAIRMAN'S REPORT

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

4.2 Resolved:

- i) to note that HEFCE and SFC representatives had attended the Chairs and Chief Executives' meeting held 29 June 2009 in Cardiff.
- ii) to note that the Chair had discussed the post-Review of Higher Education process with the Minister for Children, Education, Lifelong Learning and Skills at their last quarterly meeting.
- iii) to note an oral report on evidence given by the Chair and Chief Executive to the National Assembly for Wales' Enterprise and Learning Committee on 2 July 2009.

- iv) following on from Remit Letter requirements, the President of NUS Cymru was to be invited as an observer to Council for an initial period of two years.
- v) to note the Chair of the Audit and Risk Committee's oral report on the meeting held 25 June 2009 at which draft minutes of the previous meeting had been considered; the Strategic Engagement document signed off; a review timetable agreed and delays with the Charity Commission discussed.
- vi) to note the Chair of the Learning and Teaching Committee's oral report on the meeting held 26 June 2009. Further noted the committee's discussions on the future of Widening Access and the October publication of the Welsh Education and Skills Board report. Disappointment was expressed at the delayed publication of the NSS results, due to be fully published in September 2009, and it was agreed to write to UCAS.
- vii) to note the Chair of the Human Resources Committee's oral report on the meeting held 11 June 2009 and the attendance of Dr Ballin, independent member, for the first time. Further noted discussions had been held on staff stress management; disability awards and lIP and that the Welsh Assembly Government legal team had been asked by the sponsor division to advise on the Pay and Grading proposals.

5. CHIEF EXECUTIVE'S REPORT (HEFCW/09/CE4)

5.1 Reflections on Institutional Visit to Swansea University on 2 July 2009

Council reflected on the Institutional Visit to Swansea University on 2 July 2009.

Resolved: to note the instructive Institutional Visit to Swansea University on 2 July 2009.

5.2 Swansea University: Proposed Innovation Campus

Council received and considered proposals to establish an Innovation Campus at Swansea University and financial support requested by Swansea University from HEFCW.

Resolved: to note the development of proposals to establish an Innovation Campus at Swansea University and to delegate to the Chair, the Chair of the Reconfiguration and Collaboration Committee, and the Chief Executive authority to act in the event of any need to consider funding options before the next meeting of Council.

5.3 Welsh Education Research Network (WERN)

Council received and considered the proposed establishment of a One Wales Centre for Education Research in Wales.

Resolved:

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

i and ii.

5.4 Update on Budgetary position

Council received and considered an oral report on the UK and Welsh Higher Education budgetary position.

Resolved:

- i) to note the timetables and positions of the Higher Education Funding Council for England and Scottish Funding Council and their subsequent discussion with their governments and HEIs.
- ii) not to make any adjustment to funding allocations for 2009/10, given that the Council's funding position for 2010-11 was not yet known, but to contact HEIs to advise of the need to plan for future budget cuts.
- iii) to note that the Council meeting to be held 11 December 2009 would consider the use of core funding in line with post-Review of Higher Education information.

5.5 Matched Funding Scheme

Council received and noted an update on delays in progress of the Matched Funding Scheme.

5.6 University of the Heads of the Valleys Initiative

Council received and noted a tabled report on the University of the Heads of the Valleys initiative.

Resolved:

- i) to note the report on the University of the Heads of the Valleys initiative.

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

ii)

5.7 Capital Funding for Horticultural Provision

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

5.8 Cardiff University Compensation – Swansea Graduate Entry Scheme

Council received and considered Cardiff University's statement outlining their intentions for the use of the compensation monies following the transfer of its students on the medical Graduate Entry Scheme from 2010/11.

Resolved: to agree the proposal with the Deputy Chief Medical Officer at the Welsh Assembly Government.

5.9 Student participation in quality in Welsh Higher Education Institutions

Council received and considered a proposal to support the redevelopment and implementation of the NUS project on student representation.

Resolved: to delegate authority to the Chief Executive to approve the use of funding from the Learning and Teaching Fund to support the redevelopment and implementation of the NUS project on student representation over a two year period from 2009/10, with the capacity to be rolled over for a maximum of a further four years.

5.10 Change of name of the Learning and Teaching Committee

Council received and considered a proposal to change the name of the Learning and Teaching Committee to 'Student Experience, Teaching and Quality Committee'

Resolved: to approve the change of name of the Learning and Teaching Committee to 'Student Experience, Teaching and Quality Committee'.

5.11 Note of the Members' Workshop held 7 May 2009

Council received and noted the note of the Members' Workshop held 7 May 2009.

5.12 Resignation of Professor Anthony Hazell

Council received and noted the resignation of Professor Anthony Hazell as a member of Council from 31 May 2009.

5.13 Children and Families (Wales) Measure

Council received and noted HEFCW's requirements under the Welsh Assembly Government's *Proposed Children and Families (Wales) Measure*.

5.14 Proposed ESRC Social Science Graduate School for Wales

Council received and noted developments in the proposed establishment of a Social Science Graduate School for Wales in partnership with HEFCW and the Welsh Assembly Government.

5.15 Chief Executive Calendar of Meetings since 8 May 2009

Council received and noted the Chief Executive's calendar of meetings held since the last Council meeting.

5.16 Exercise of Delegated Authority

i Council received and noted the Exercise of Delegated Authority by the Chairman in appointing Dame Sandra Burslem as Chair of the Human Resources Committee.

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

ii)

6. FUTURE ARRANGEMENTS FOR RESEARCH ASSESSMENT:
PROPOSALS FOR CONSULTATION (HEFCW/09/46)

6.1 Council received and considered proposals for the Research Excellence Framework (REF) which will succeed the Research Assessment Exercise (RAE), and for a UK-wide consultation in Autumn 2009.

Council noted:

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

6.2 to 6.7

7. WELSH VIDEO NETWORK UPDATE AND ANNUAL REPORT
(HEFCW/09/47)

- 7.1 Council received and considered the outcome of a recent review which was commissioned by HEFCW and the Welsh Assembly Government to consider the future of the Welsh Video Network Support Centre in Welsh Further and Higher Education and Schools.

Council noted:

- 7.2 that the Welsh Video Network work touches on a number of Welsh Assembly Government agendas such as sustainable development and reconfiguration and collaboration.
- 7.3 the Department for Children, Education, Lifelong Learning and Skills' agreed future investment and HEFCW's options regarding the future of the Welsh Video Network Support Centre.

Resolved:

- 7.4 to note the annual report of the Welsh Video Network for 2007/08;
- 7.6 to recommend extension of HEFCW support for the Welsh Video Network Support Centre to 2012/13 with the potential of extending for a further two years, to 2014/15;
- 7.7 to approve that HEFCW go out to tender jointly with the Welsh Assembly Government for the Welsh Video Network ;
- 7.8 to agree that HEFCW should work with the Department for Children, Education, Lifelong Learning and Skills to explore how the Welsh Video Network Support Centre may be brought under the Public Sector Broadband Aggregation as soon as practicable;
- 7.9 to agree that HEFCW should work with Department for Children, Education, Lifelong Learning and Skills to explore how Swansea University might be enabled to manage the Welsh Video Network Support Centre in the interim period.

8. ANNUAL STATUTORY ACCOUNTS (HEFCW/09/48)

- 8.1 Council received and considered draft HEFCW accounts for the year ended 31 March 2009.

Council noted:

- 8.2 that the Wales Audit Office was in the process of auditing the draft HEFCW accounts for the year ended 31 March 2009.

- 8.3 the Chair's thanks to relevant officers for preparation and presentation of the accounts.

Resolved:

- 8.4 to note the contents of the draft accounts.
- 8.5 to approve the HEFCW accounts for the year ended 31 March 2009 as presented subject to any amendments arising from the WAO audit and to delegate authority to the Chair of the Audit and Risk Committee and the Chief Executive to approve any such amendments.

9. ORGANISATIONAL DESIGN REVIEW (HEFCW/09/49)

- 9.1 Council received and considered a report on a review of the Organisational Design changes implemented from April 2008.

Resolved:

- 9.2 to note the findings of the review;
- 9.3 to agree to a further Organisational Design review and report to Council in one year's time.

10. REVIEW OF HIGHER EDUCATION IN WALES PHASE 2 REPORT (HEFCW/09/52)

- 10.1 Council received and considered the Review of Higher Education in Wales Phase 2 Report (the Jones Report) and the tabled Ministerial statement.

Council noted:

- 10.2 some key dates for the outcomes of the Review – Cabinet discussion 30 November; requirements on HEFCW to be included in the 2010-11 Remit letter which was expected in December 2009; these discussed at the Council meeting to be held on 11 December 2009 and included in the Corporate Strategy in March 2010.
- 10.3 the potentially profound implications of the Review for institutional strategic direction, funding approaches, HE/FE relations, and other matters.

Resolved:

- 10.4 to draw up an articulated timetable of key DCELLS and HEFCW dates for developing the outcomes of the Review.

11. CORPORATE STRATEGY 2010/11 – 2012/13 (HEFCW/09/50)

- 11.1 Council received and considered the initial proposals for the structure of the Corporate Strategy 2010-11 to 2012-13, building on discussions at the Council Workshop on 7 May 2009.

Resolved:

- 11.2 to note that further discussions would be held at the October Members' Workshop to take into account the Review of Higher Education and the Minister's response.

12. STRATEGIC USE OF CORE FUNDING: PROPOSED CHANGES TO THE FUNDING METHOD (HEFCW/09/51)

- 12.1 Council received and considered proposed changes to the funding method to increase the strategic use of core funding and eliminate several minor anomalies in the method.

Council noted:

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

12.2 to 12.8

13. RECONFIGURATION AND COLLABORATION (HEFCW/09/53)

- 13.1 The Chief Executive reiterated the declaration that his partner is employed at Swansea Metropolitan University.
- 13.2 Council received a report of progress on the Reconfiguration and Collaboration Fund (RCF), associated 'One Wales' funding and the Strategic Development Fund (SDF) since its last meeting on 8 May 2009.

Council noted:

- 13.3 the amount of the Reconfiguration and Collaboration, One Wales and Strategic Development Fund funding remaining.

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

13.4

Resolved:

- 13.5 to note the response to the National Assembly for Wales Audit Committee report on Collaboration between Higher Education Institutions;
- 13.6 to note the position on Reconfiguration and Collaboration, One Wales and Strategic Development Fund funding;
- 13.7 to note the progress of Reconfiguration and Collaboration, One Wales, and Strategic Development Fund developments, including the proposed merger of Trinity University College, Carmarthen and the University of Wales, Lampeter.

14. UPDATE ON CORPORATE RISK REGISTER (HEFCW/09/54)

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

Council noted:

- 14.2 that no further changes to the Corporate Risk Register had been recommended by the Audit and Risk Committee at its meeting on 25 June 2009.

- 14.3 the increased risk that 'Funding from the Assembly would be insufficient to be able to sustain levels of funded activity particularly in the light of possible consequences for the budget arising from the economic downturn'. Further noted that this remained the sole risk identified as requiring urgent remedial action and rigorous monitoring.

Resolved:

- 14.4 to approve the latest update to the corporate risk register and the distribution of those risks,
- 14.5 to note the commentary on the current distribution of risks and on likely developments in the immediate future.

15. DRAFT ANNUAL REPORT 2008-09 (HEFCW/09/55)

- 15.1 Council received and considered plans for the 2008-09 Annual Report

Council noted:

- 15.2 that, if time allowed, case studies with photos should be included to celebrate successes in HE.
- 15.3 that a draft Annual Report would be circulated to members for comment in August 2009.

Resolved:

- 15.4 to note proposals for the 2008-09 Annual Report;
- 15.5 to delegate authority to the Chairman and Chief Executive to sign off the final 2008-09 Annual Report by 31 August 2009.

16. ANY OTHER BUSINESS

16.1 Human Resources Committee meeting 11 June 2009 (Members only)

Council received the minutes of the meeting of the Human Resources Committee held 11 June 2009.

Resolved: to note the minutes of the meeting of the Human Resources Committee held 11 June 2009.

17. DATE OF NEXT MEETING

Council noted:

- i) the date of the next meeting as 25 September 2009, to be held at HEFCW Offices, Llanishen;
- ii) that the next meeting of Council would be preceded by the HEW/CHEW/HEFCW Strategic Dialogue meeting on 3 and 4 September 2009.

18. COUNCIL MEMBERS' WHISTLEBLOWING POLICY (HEFCW/09/56)

18.1 Council received and considered Council Members' Whistleblowing Policy.

Resolved:

18.2 to approve the Council Members' Whistleblowing Policy and provision to the Welsh Assembly Government for comment.

19. ANNUAL GOVERNANCE ASSURANCE STATEMENT (HEFCW/09/57) –
Restricted – members and officers only

19.1 Council received and considered the draft of the Annual Governance Assurance Statement 2009 on the quality of governance in the HE sector.

19.2 Resolved: to approve the text of the Annual Governance Assurance Statement 2009.

20. COUNCIL FORWARD BUSINESS PLAN (HEFCW/09/58)
- 21.1 Council received the Forward Business Plan for Council meetings to be held September 2009 to December 2010.
- 22.2 Resolved: to note the Forward Business Plan for the Council meetings to be held September 2009 to December 2010.
23. HEI ESTATES ANNUAL REPORT 2007/08 (HEFCW/09/59)
- 23.1 Council received a Report on the Estates Performance of the sector and a review of the main estates projects undertaken by HEIs during the last year.
- 23.2 Resolved: to note the contents of the Report.
24. FREEDOM OF INFORMATION ANNUAL REPORT (HEFCW/09/60)
- 24.1 Council received an annual report of requests received by HEFCW under the Freedom of Information Act 2000 for the financial year 2008-09.
- 24.2 Resolved: to note requests for information received under the Freedom of Information Act in 2008-09.
25. ANNUAL REPORT OF COMPLAINTS AGAINST HEIs (HEFCW/09/61)
- 25.1 Council received an annual report of allegations concerning HEIs funded by HEFCW for the financial year 2008-09.
- 25.2 Resolved: to note the annual report of allegations concerning HEIs funded by HEFCW for the financial year 2008-09.
26. ANNUAL REPORT OF COMPLAINTS AGAINST HEFCW (HEFCW/09/62)
- 26.1 Council received an annual report of complaints received by HEFCW against the Council itself or its officers for the financial year 2008-09.
- 26.2 Resolved: to note that no complaints were received by HEFCW against the Council itself or its officers for the financial year 2008-09.
27. AUDIT AND RISK COMMITTEE ANNUAL REPORT AND MEETING MINUTES 25 JUNE 2009 (HEFCW/09/63)

- 27.1 Council received the draft Annual Report of the HEFCW Audit & Risk Committee for 2008-09 and the tabled draft minutes of the HEFCW Audit & Risk Committee meeting held on 25 June 2009.
- 27.2 Resolved: to note the draft Annual Report of the HEFCW Audit & Risk Committee for 2008-09 and the draft minutes of the HEFCW Audit & Risk Committee meeting held on 25 June 2009.
28. MINUTES OF MEETING OF LEARNING AND TEACHING COMMITTEE HELD 29 APRIL 2009 (HEFCW/09/64)
- 28.1 Council received the confirmed minutes of the Council's Learning and Teaching Committee (LTC) held on 29 April 2009.
- 28.2 Resolved: to note the confirmed minutes of the Council's Learning and Teaching Committee (LTC) held on 29 April 2009.
29. QUARTER 4 CASH EXPENDITURE REPORT 2008-09 (HEFCW/09/65)
- 29.1 Council received the financial monitoring on programme and running costs expenditure for the fourth quarter in the period April 2008 to March 2009.
- 29.2 Resolved: to note the financial monitoring on programme and running costs expenditure for the fourth quarter in the period April 2008 to March 2009.
30. CORPORATE PLAN 2009/10 – 2011/12 AND OPERATIONAL PLAN 2009-10 (HEFCW/09/66)
- 30.1 Council received the final draft version of the Corporate Plan 2009-12 and the Operational Plan 2009-10 which had been submitted to Welsh Assembly Government for approval.
- 30.2 Resolved: to note the final draft version of the Corporate Plan 2009-12 and the Operational Plan 2009-10 which had been submitted to Welsh Assembly Government for approval.

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