

Cylchlythyr | Circular

Consultation on the external assurance of quality required by regulated institutions

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To: Regulated institutions in Wales
Other interested parties
Response by: **07 December 2016**
Contact: Name: Dr Cliona O'Neill
Telephone: 029 2085 9731
Email: cliona.oneill@hefcw.ac.uk

This circular provides a consultation on the details of the external assurance of quality which institutions are required to commission under the Quality Assurance Framework for Wales. Responses are requested by 7 December 2016.

If you require this document in an alternative accessible format, please email info@hefcw.ac.uk.



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Introduction

1. This circular provides a consultation on the details of the external assurance of quality which institutions are required to commission under the Quality Assurance Framework for Wales. Responses are requested by 7 December 2016.
2. The Home Office has confirmed that the proposals for the revised quality assessment framework to be implemented in Wales, and the transition arrangements, meet their requirements for educational oversight for Tier 4.

Background

3. [Circular W16/14HE](#) provided a consultation on the underpinning detail of a Quality Assurance Framework for Wales. This included a proposal that the governing body of a regulated institution obtain external assurance regarding the quality of its provision against the baseline requirements, from an agency on the European Quality Assurance Register for higher education (EQAR)¹. We noted that we would consult further on features and judgments of the process, including ensuring that judgements align with the HEFCE arrangements, and invited respondents to highlight aspects that should be included.
4. The outcomes of the consultation were published in [circular W16/29HE](#), and detailed actions that HEFCW would take in response. These have been addressed in the proposals set out in this consultation. Respondents agreed that the Quality Code and Framework for Higher Education Qualifications (FHEQ) across UK-wide QA arrangements should provide a broad base to support general alignment. There was broad acceptance of the principle of obtaining external assurance from an agency on the EQAR², which facilitates international compatibility.

External quality assurance review

5. Some aspects of the external quality assurance review were confirmed through the consultation in circular W16/14HE. These are detailed below.
6. The requirement for external quality assurance takes account of HEFCW's statutory responsibilities in relation to education provided by and/or on behalf of regulated institutions, including that which is inadequate, or which is likely to become inadequate. It provides the assurance required under the Higher Education (Wales) Act 2015 with regards to quality, to enable [Fee and Access Plans](#) to be approved, and therefore for regulated institutions to access student support.

¹ A register of quality assurance agencies in Europe which have demonstrated their substantial compliance with a common set of principles for quality assurance in Europe as detailed in the [European Standards and Guidelines for Quality Assurance](#)

² This remains appropriate even given the implications of Brexit, as the European Standards and Guidelines (ESG) on which EQAR registration relies, are not limited to the European Union.

7. The external quality assurance review must comply with the [European Standards and Guidelines](#) (ESG) requirements for such reviews. The ESG enable higher education to demonstrate quality and increase transparency, helping to build mutual trust and better recognition of their qualifications, programmes and other provision. The ESG are used by institutions and quality assurance agencies as a reference document for internal and external quality assurance systems in higher education.
8. The external quality assurance review must cover all HE provision delivered by or on behalf of the institution, including franchise provision, branch campuses and any other overseas provision³. However, where partner, delivery or support organisations are also required to undergo external quality assessment review, it would be appropriate to limit the review of the awarding organisation to its management of that arrangement, in order not to duplicate review activity.
9. The review team should meet with the student union as part of the review. The institution should provide training for the student union to support them in their participation in the review.
10. Governing bodies will be free to place additional requirements on the process in light of the institution's mission and strategy. They should ensure that any agency appointed understands the context of Wales within the UK and has appropriate Welsh language capacity. Regulated institutions may collectively decide to appoint a single body to conduct the external reviews.
11. If a body for quality assurance is designated in England, HEFCW will carry out a further consultation with regulated institutions and other interested parties consult on whether that body should be commissioned to provide external reviews in Wales.
12. There will be no mid-process student-focussed review in the Quality Assessment Framework for Wales. However, quality will be integrated into HEFCW's triennial assurance review, and this will include engagement with the student union or equivalent, which should incorporate representation of the diverse student body,⁴ including those with protected characteristics.
13. Regulated institutions will need to provide HEFCW with the link to the published report, as part of their Fee and Access Plan applications.
14. Should the review result in a judgement that the regulated institution does not meet the requirements as set out below, the Fee and Access plan application will also need to include evidence of how institutions have

³ HEFCW has a Memorandum of Understanding with Estyn, which inspects further education provision

⁴ part-time, full-time, international, European, UK, postgraduate, undergraduate, mature and non-traditional students, and students of franchise HE in FE

addressed any recommendations resulting from this assessment (or evidence that the external body had confirmed that the actions had been undertaken successfully) within twelve months of the unsatisfactory judgement. This will include via a revised, published, judgement from the organisation that carried out the External Quality Assessment review.

15. Regulated institutions might wish to consider whether they would want to request a supplementary unpublished technical report setting out the evidence underpinning the outcome report, or whether they would wish more technical details to be included in the published report. This is not a HEFCW requirement.
16. A successful judgement from the external review (or assurance that evidence of how institutions have addressed any recommendations resulting from the review) will form the quality threshold for the Teaching Excellence Framework (TEF) for Welsh institutions, should Wales participate in the TEF.
17. The key features of the review are summarised in the table below.

Feature	Description
Type of organisation	Must be on the EQAR
Review coverage	All HE provision delivered by or on behalf of the institution, including branch campuses and other overseas provision
Mid process review	None
Membership of review team	Peer experts, including (a) student member (s)
Student engagement	The review must take account of the views of current students, and meet with them as part of the review
Review report	Must be published
Recommendations	Included in the published report
Judgements	Included in the published report
Revision of judgement	A judgement other than 'meets expectations' can be amended once the institution has addressed the issue(s) leading to the unsatisfactory judgement
Frequency	At least every six years. The most recent QAA review will act initially as the EQAR assurance, provided it was undertaken within the past six years.

18. Any unsuccessful review outcomes will be subject to our [inadequate quality processes prior to intervention](#), which will be updated to reflect the outcomes of this consultation.
19. Any outcomes which are not satisfactorily dealt with via the above processes will be subject to our [statutory intervention processes](#).

20. Aspects of the external quality assurance review on which we are consulting are detailed below.

Frequency of reviews

21. Reviews should be carried out at least every six years. Governing bodies may commission them more frequently if they feel this would be helpful.
22. A new review will be required following the introduction of significant new provision. To determine whether this is required, it is necessary to define what 'significant new provision' means. This could include new campuses; new partnerships affecting over a certain proportion of students; changes in the types of provision, or changes in student numbers.
23. Previously in Wales, where institutional mergers have occurred, the merged institution has been reviewed at the earliest date when any of the constituent partners were due a review. The six yearly interval then operated from that point. We would expect the same procedure to be adopted in the case of any future mergers or strategic alliances.
24. To date, in the case of alternative providers, an extended monitoring visit, partial or full review may be required for Educational Oversight purposes where the annual monitoring identifies that there is a change of 20 per cent or more in student numbers (increase or decrease); a change of 50 per cent or more on the type of provision/course offered, including changes of awarding body/organisation; a new site; or there has been a merger with another provider.
25. This consultation proposes that a new review would normally be required in circumstances in which there is a significant change to the character, mission, size/shape or performance of an institution that could impact upon its ability to assure quality and standards. Governing bodies will be required to exercise judgement on these matters, but such circumstances might include:
- A quality assessment review of any new location of delivery (at home or overseas) within one year of the commencement of its operation⁵. The next full review of the institution would then incorporate all the sites of the institution;
 - An unplanned change of 20% or greater in student numbers (either an increase or a decrease over a three year period, including franchise numbers), as measured against the institutional forecasts⁶;
 - A change of 50 per cent or more on the type or mode of provision/course offered (either an increase or a decrease over a

⁵ Eg if institution A had its external review in 2014 and in 2016 commenced operation at a new campus in India, a review of the India campus would be required in 2017. The 2020 external review would then incorporate the India campus as part of the whole institution.

⁶ Eg institution A had 1000 students, and provided a forecast of 1000 students for 2021. It recruited 900 students in 2019, 820 students in 2020 and 790 students in 2021. The Governing Body would then commission an external review to ensure that quality had not been adversely impact by the unplanned decrease in student numbers.

three-year period, including franchise provision) where this impacts on the institution's mission. If the change does not impact on the institution's mission then a new review would not be required⁷;

- A substantial structural change, eg through merger with another one, or becoming part of a group structure, then a new review of the whole institution should be carried out at the **earliest date** at when any of the constituent partners were due a review⁸. This does not apply to specific areas of joint working between institutions; rather, it applies where structural changes mean that changes to structure would result in the need for a single review of the provider.

26. In addition:

- Where an institution receives any judgement of 'meets requirements with conditions' it should undergo a further review within four years of the previous review;
- Where an institution receives any judgement of 'does not meet' it should be reviewed within two years of the previous review.

27. It is for the governing body to decide whether or not to commission a new review. If circumstances above arise within an institution, the provider must include this information in its annual assurance return. HEFCW will then provide feedback if we consider that a further review is required. Any factors affecting the ability of the governing body to provide annual assurance to HEFCW in relation to quality might also trigger the need for an earlier review. HEFCW may decide to reject a Fee and Access Plan if it does not feel that the evidence on quality is sufficiently robust to take account of changes in circumstances.

28. Governing bodies may also wish to commission an earlier review where other substantial changes have occurred, for example, in staffing or in types of provision offered.

29. In addition, Professional, Statutory and Regulatory Bodies (PSRBs) which accredits specific courses and may also review/inspect provision at designated providers. In addition, Her Majesty's Inspectorate for Education and Training in Wales (Estyn) have statutory responsibility for inspecting Initial Teacher Training provision, FE in HE, and further education institutions which may also be offering higher education provision. HEFCW will consider the findings of these bodies where they consider that the quality of higher education provision is inadequate, or likely to become inadequate, and in so doing will use those bodies' definitions of quality. HEFCW will determine on a case by case basis whether these outcomes should trigger our inadequate quality procedures. This could include requiring a review of the whole institution.

⁷ Eg Institution A moved from having 5% of its courses incorporating work based learning to having 57% of its courses incorporating this. This is in line with its mission to ensure that 80% of courses include work-based learning. No additional review is required. Institution B experienced the same shift in provision. However, its mission did not include an increase in / focus on work-based learning. The Governing Body therefore commissions an earlier review.

⁸ Eg, if institution A was due a review in 2018 and merged with institution B which was due a review in 2021, the review of the newly merged institution would be in 2018.

Question 1: Do you agree with the proposal that a further external quality review should be undertaken when there have been significant changes to provision? Please give details.

Question 2: Do you agree with the definition of significant new provision provided in paragraph 22 above? Please give details.

Baseline

30. The EQAR review should be based on whether the regulated institution's internal quality assurance approaches comply with European Standards and Guidelines.
31. It will also need to evaluate whether institutions meet the baseline requirements for the Quality Assessment Framework for Wales. The aspects of the baseline which are in common with England and Northern Ireland are as follows:
 - (i) the framework for higher education qualifications (FHEQ);
 - (ii) other elements of the current UK-wide Quality Code⁹;
 - (iii) HEFCW's Financial Management Code, or equivalent, and Fee and Access Plan requirements;¹⁰
 - (iv) the HE Code of Governance, the Code of Good Governance for Colleges in Wales or other equivalent designated governance code;
 - (v) the expectations of consumer law as expressed through the Competition and Markets Authority (CMA) guidance;
 - (vi) Office of the Independent Adjudicator (OIA) good practice framework;
 - (vii) The provider's strategy for its higher education provision.
32. These will be updated should further amendments be made. In addition, we have the following Wales-specific baseline requirement:
 - (viii) Alignment with the Credit and Qualifications Framework for Wales (CQFW)
 - (ix) Adhering with Welsh language requirements.

Judgements

33. In order to facilitate comparison of outcomes, HEFCW proposes that the external review should have a set of common judgements.
34. The proposed judgements for both the annual provider review and quinquennial assurance review in England are as follows:

⁹ Principally the expectations in the first instance

¹⁰ In England institutions will be required to pass Financial Sustainability, Management and Governance checks. In Wales institutions will also be required to provide information on their financial viability and the organisation and management of their financial affairs, in order to access student support funding.

- a) Meets requirements – the provider will continue to undergo Annual Provider Review;
 - b) Meets requirements with conditions – the provider will continue to undergo Annual Provider Review, but with an action plan to address areas of immediate concern’.
 - c) Pending – the producer will be referred for further investigation and intervention.
 - d) Does not meet requirements – the provider will return to developmental enhanced scrutiny, with a peer review visit as appropriate and an ongoing schedule of four-yearly visits, with an action plan to address areas of immediate concern.
 - e) Does not meet baseline regulatory requirements – concerns are sufficiently serious to warrant removal of the provider from the Register of HE Providers.
35. As the Quality Assessment Framework in Wales is different to that in England, we propose the following judgements for the EQAR review in Wales:
- a) Meets requirements
 - b) Meets requirements with conditions – the provider will need to implement an action plan to address areas of immediate concern
 - c) Does not meet requirements.
36. Provision that does not meet requirements would initiate our inadequate quality procedures prior to intervention.
37. There is also an option to include an additional judgement of ‘Excellent’ (or ‘Commended’) for Wales. This would be different to the terminology in England, but would enable good practice to be celebrated.

Question 3: *Is the judgement terminology appropriate? If not, please explain why and suggest alternatives.*

Question 4: *Would it be useful to have a judgement of ‘Excellent’ (or ‘Commended’)? Please explain why/not.*

38. We propose that the judgements be made regarding whether or not the institution meets the requirements of:
- the European Standards and Guidelines for internal quality assurance
 - the baseline standards for the Quality Assessment Framework in Wales.
39. Institutional requirements regarding public information are covered via institutions’ responsibilities under Consumer legislation, including the [Consumer Rights Act 2015](#).

Question 5: *Are these judgement areas appropriate? Should there be any additional judgement areas? Please explain your response and suggest alternatives/additions if appropriate.*

40. Should there be any judgements of meets requirements with conditions, or does not meet requirements, institutions will need to liaise with their appointed EQAR agency to obtain verification that actions taken in response to the review outcomes have rectified any deficiencies, and therefore enable the judgement outcome to be upgraded. This is essential, as the external review judgement will inform HEFCW's assessment regarding whether institutions meet the quality requirements of the Fee and Access Plan. Any amendment to the judgement following satisfactory action planning will also need to be published.

Enhancement

41. Feedback from the consultation on the Quality Assessment Framework included that the external review should include an emphasis on enhancement, as institutions will not be able to maintain quality if they are not continually striving to enhance their provision. A failure to engage in quality enhancement would mean that provision was (likely to become) inadequate. HEFCW would then determine the potential risk to quality and standards, which could include seeking further information from the institution, as well as other action.

Question 6: *Should there be a separate judgement on enhancement or should this be a commentary?*

Question 7: *Do you have any more general comments about the external quality assurance review? If so, please provide detail.*

Question 8: *Does this consultation have any unintended impacts or negative consequences in terms of equality and diversity, welsh language, and/or sustainability?*

42. The triennial visit will include quality assurance, and any follow up necessary resulting from the External Quality Assessment Review. The annual assurance from governing bodies will include assurances regarding quality. These will inform the HEFCW existing [institutional risk review process](#) and the Fee and Access Planning process.

Responses to

43. Please send responses to Dr Cliona O'Neill (tel 029 2085 9731; email cliona.oneill@hefcw.ac.uk) by 7 December 2016.

Assessing the impact of our policies

44. We have carried out an impact assessment (IA) screening to help safeguard against discrimination and promote equality. We also considered the impact of policies on the Welsh language, and Welsh language provision within the HE sector in Wales, and implications relating to the Well Being of Future Generations Act 2015. Contact equality@hefcw.ac.uk for more information about IAs.