
Annual Monitoring Statement: Outcome of Consultation

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Ref: W04/29HE

To: Heads of higher education institutions in Wales

Summary: This circular reports the outcome of the consultation on the arrangements for the introduction by the Council of an annual monitoring statement. The circular also reports on next steps.

Response by: No response required

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INTRODUCTION

1. This circular reports the outcome of the consultation on the arrangements for the introduction by the Council of an annual monitoring statement (AMS). The circular also reports on next steps.
2. Circular W04/07HE set out the Council's AMS proposals. Ten institutional responses to the consultation were received, one covering the views of two merging institutions.

GENERAL POINTS

3. A number of institutions took the opportunity to comment on other aspects of the Council's strategic planning process (as set out in paragraph 8 of Circular W04/07HE).
 - i) A plea was made for a reduction in the overall amount of information requested by the Council and an identification of the purposes of information collected;
 - ii) The possibility of submitting brief updates to the strategic plan in the period between full revisions was noted;
 - iii) The need for timely feedback was also noted, to inform the development of the following year's plan of activity.

Particular comment was made on the Council's mechanism for reporting on the Assembly's Reaching Higher sector targets.

- iv) An early announcement in 2004/05 of the target requirements was sought, particularly if the targets were to be altered or augmented;
 - v) Several institutions requested that the Council consult further with the sector on the refinement of the targets and reporting processes and ensure that the Assembly is aware of this planning cycle;
 - vi) The distinction between reporting of sector performance on the targets and institution's own strategic plans was recognised;
 - vii) Correspondingly, it was felt that the strategic plan feedback should not be viewed too narrowly through the RH targets template;
 - viii) Concerns were reiterated by some institutions about the inapplicability of some of the targets to their particular missions. The Council has made clear that not all institutions are expected to contribute to every target. However, queries were raised regarding the likely action if the sector does not appear to be meeting targets.
4. Several institutions commented on the need for more engagement between the Council and institutions regarding strategic planning. The Council has recently considered this matter and, in addition to the Strategic Dialogue which has now been established between HEFCW, Higher Education Wales (HEW) and Chairs of Higher Education Wales (CHEW), has agreed that there should be a programme of institutional visits to enable Council members and officers to engage better with individual institutions. This programme will be developed in consultation with the sector, to cover a 2 – 3 year cycle.

CONSULTATION QUESTIONS

Views are invited on the Council's intention to introduce an annual monitoring statement approach to draw together reporting requirements on individual plans and strategies

5. There was general welcome for the Council's proposal to introduce an annual monitoring statement (AMS) although this was on the understanding that it would result in a reduction in the workload associated with reporting on plans and strategies, and not all respondents were convinced of this. In some cases this was due to a misunderstanding of the fact that the proposals are intended, in the longer term, to replace the variety of reports requested on individual plans and strategies with a shorter pro forma report.

Views are invited on the applicability of the type of pro forma being used for ITT strategies (Annex A) to other Council initiatives/strategies. How should the format be amended to ensure the best fit between reporting requirements and institutional planning mechanisms?

6. Whilst some ITT providers welcomed the Council's bringing together of three separate streams of ITT funding (and associated planning and reporting requirements) into a single ITT strategy, others were concerned about the small amount of funding provided and took the view that a further strategy requirement had been introduced. The absence of a link between the ITT strategy and the Reaching Higher targets was also noted.
7. Both ITT providers and other institutions raised concern regarding the level of detail required in the ITT target/priorities pro forma and welcomed the confirmation that for other strategies (eg learning and teaching) the intention would be for institutional headings and priorities to be used. The statutory position of ITT means that central priorities are more significant and need to be specified. There is scope for more flexibility in other areas. More generally, one institution contrasted the level of detail in the proposed AMS arrangements with the approach adopted in Scotland and England and others requested that the Council allow some flexibility in the completion of the pro forma. One institution suggested that a more appropriate place for the quantitative elements of the AMS would be in a modified targets template. It was also suggested that HEFCW should give thought as to how major changes to strategies/plans would be negotiated with the Council between reporting points.

Views are invited on the inclusion of Learning and Teaching strategies within the annual monitoring statement process from 2004/05

8. Almost all respondents welcomed the inclusion of Learning and Teaching strategies within the AMS, and the commitment to three years' funding, subject to the caveat stated in paragraph 4 above regarding the need for a reduction in the workload associated with reporting on plans and strategies. An incremental approach to the introduction of the AMS arrangements, together with review of the ITT strategy arrangements, was welcomed. Respondents also suggested other strategies/plans for inclusion in the future AMS arrangements and requested a timetable for their inclusion.
9. Particular reference was made to the separate HEFCW consultation on Third Mission activities (W04/11 HE). Subject to the resolution of issues regarding the metrics to be used for funding purposes and further guidance on the submission of strategies, the Council does intend to include the new third mission plans within the AMS arrangements in the future.
10. Reference was also made to HR strategies and race equality policies, querying whether they should be included in the AMS. With regard to this
 - i) The Council has requested the submission of HR strategies only in the context of enabling consultants to provide HR advice to institutions. There is no intention at this stage to include HR strategies within the AMS arrangements.
 - ii) Institutions have been invited by the Council to submit race equality policies and plans to facilitate the provision of advice by the Equality Challenge Unit to particular institutions to assist them in meeting their legal requirements under the Race Relations (Amendment) Act. This exercise is now complete. Separately, the HEFCW strategic plan circular requests copies of institutions' own annual reports on their race equality policies, documentation they are obliged to publish themselves under the Act. The Council asks to see these as part of its statutory duty to monitor the sector. We will continue to request copies of institutions' own reports on the outcomes of their race equality policies and plans – in the institution's own format. Hence, these reports will not be included at this stage within the AMS, since this would be an additional reporting requirement.

Views are invited on the scheduling of the annual monitoring statement request

11. A number of institutions raised concerns regarding the timing of the AMS request. Three specific concerns were identified:

- i) Firstly, that the request for the AMS to be submitted in July may not align with institutional planning timetables. Two respondents asked whether it would be possible for institutions to set their own timetables for AMS submission. Some institutions expressed concern that, with AMS arrangements, all reporting would fall into a single submission in July. Other respondents welcomed this. In some cases the different timetables for reporting to the Council on particular strategies/plans have arisen historically and it may be possible for these to be aligned, in the longer term, to the July reporting date and incorporated in the AMS. Since we believe that there will be a reduced reporting requirement, the July date should result, over a period of years, in a significantly smaller burden of reporting. An example of this would be the intention to base the process on a three-year strategy with updates, rather than requesting a strategy annually. However, the Council will keep the issue of customised submission dates under review.
- ii) Secondly, a concern was expressed by a number of institutions that, with regard to the Learning and Teaching strategy, insufficient time would be available for appropriate consultation within institutions if guidance were to be circulated in April, with strategies to be requested for submission in June. One respondent suggested that the Council might follow the precedent set with ITT strategies and allow a submission at the end of the year, following the payment of the first tranche of funding. The Council has re-considered this deadline and the ITT precedent will be followed for Learning and Teaching strategies, to include a December, rather than a June submission date. The guidance circular will be published in the near future.
- iii) One further concern raised in relation to the scheduling of the submission was that where there are quantitative targets relating to income (eg in relation to third mission or research funding), there may be a need to align the timetable with that for external audit of accounts and/or of submission of data to HESA. The Council will keep this matter under review.

NEXT STEPS

12. Given the generally positive response to the consultation, the Council will proceed with the incremental introduction of an Annual Monitoring Statement to the following timetable:

- i) The AMS format will be utilised only for reporting on ITT strategies in 2004 and the pro forma to be used for monitoring will thus be circulated separately from the Strategic Plan request circular to be published in May 2004;
- ii) Officers will review the operation of the AMS for ITT, including an evaluation of responses to the ITT AMS in summer 2004, and make any necessary adjustments to the monitoring pro forma in time for the strategic plan request circular to be published in April/May 2005;
- iii) The AMS will be utilised for Learning and Teaching Strategies from 2004/05. Relevant sample target pro forma have been circulated with the guidance on the strategies (W04/28HE), to enable the monitoring of performance against the strategies, via the AMS, in July 2005;
- iv) In addition to the ITT and Learning and Teaching strategies, it is also intended that Third Mission Strategies will be monitored through the AMS in July 2005 and thereafter. Further guidance will be circulated on this matter, following consideration of the outcome of the consultation on Third Mission Funding;

13. Any queries arising from this circular should be addressed to Celia Hunt, telephone 0292 2068 2224, e-mail celia.hunt@hefcw.ac.uk or Anita Colley, telephone 029 2068 2276, e-mail anita.colley@hefcw.ac.uk.