

Cylchlythyr | Circular

Unsatisfactory Quality Procedures: revised

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To: Heads of higher education institutions in Wales
Principals of directly-funded further education colleges in
Wales
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This circular provides an update to our approach to dealing with higher education institutions and directly funded further education institutions which demonstrate unsatisfactory quality of management of academic standards of awards and/or quality of the learning opportunities available to students, or where we consider an institution to be at higher risk in terms of the quality of its provision.

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Introduction

1. HEFCW has a statutory obligation under the [Further and Higher Education Act 1992](#) to secure that provision is made for assessing the quality of education provided in institutions for whose activities we provide, or are considering providing, financial support.
2. This circular provides an update to our approach to dealing with higher education institutions (HEIs) and directly funded further education institutions (FEIs) which demonstrate unsatisfactory quality of management of academic standards of awards and/or quality of the learning opportunities available to students, or where we consider an institution to be at higher risk in terms of the quality of its provision.
3. The principles of the original approach remain broadly in place. The update is required because of changes to the outcome judgements in the Institutional Review: Wales (IRW) method. Changes will be implemented from 2012/13, along with the introduction of changes to the IRW.

Background

4. [Circular W10/01HE](#) provided our unsatisfactory quality procedure (UQP). This was developed following a consultation on the proposed procedure in [Circular W09/25HE](#).
5. [Circular W11/43HE](#) provided the outcomes of the consultation on amendments to the Institutional Review: Wales, which we published in May 2011([Circular W11/18HE](#)). It detailed changes which will be made to the IRW method from 2012/13.
6. From 2012/13, a HEI or FEI offering directly funded HE provision will receive judgements on four categories:

Judgement	Outcomes
<ul style="list-style-type: none">• The threshold standards of awards	<ul style="list-style-type: none">• Meet/do not meet UK expectations
<ul style="list-style-type: none">• The quality of students' learning opportunities	<ul style="list-style-type: none">• Commended• Meets UK expectations
<ul style="list-style-type: none">• The enhancement of students' learning opportunities	<ul style="list-style-type: none">• Requires improvement to meet UK expectations
<ul style="list-style-type: none">• The quality of public information, including that produced for students and applicants.	<ul style="list-style-type: none">• Does not meet UK expectations

7. The change in judgement categories and outcomes needs to be reflected in the UQP.
8. Under the revised method, a published action plan will be prepared as a result of all reviews, whatever the judgement, addressing the

recommendations and affirmations, and giving any plans to capitalise on the identified good practice. The institution will be expected to update the action plan annually until all actions have been completed, and post the updated plan to its website.

9. The review will be completed when it is formally 'signed off'. Where the review report offers 'commended' or 'meets' judgements in all four areas, the review will be formally signed off on publication of the initial action plan.

The unsatisfactory quality procedure

10. The UQP clarifies actions we will take to deal with unsatisfactory quality. This is to protect the interests of learners and the reputation of higher education in Wales.
11. The UQP will be applied to institutions that have received the following outcome judgements but have not developed a satisfactory programme for follow-up action, or have made insufficient progress against an action plan in the stated time:
 - 'Do not meet UK expectations' in relation to the threshold standards of awards, and/or
 - 'Does not meet UK expectations' in relation to the quality of students' learning opportunities, the enhancement of students' learning opportunities or the quality of public information.
12. It will also apply to institutions which receive a 'do(es) not meet UK expectations judgement'¹ in two successive reviews, as even where an initial problem leading to the outcome has been addressed, and an action plan successfully implemented, two such judgements will indicate ongoing problems with quality and/or standards at that institution.
13. We may also initiate the procedure for institutions which:
 - Receive more than one 'requires improvement to meet UK expectations' judgement in their IRW;
 - Cannot agree an action plan with the QAA to address any 'requires improvement to meet UK expectations' judgement within a reasonable time frame;
 - Receive a 'requires improvement to meet UK expectations' judgement and fail to develop an appropriate action plan, or are deemed by the QAA to have made unsatisfactory progress against their action plan;
 - Receive a judgement of 'requires improvement to meet UK expectations' in any category in two successive reviews;

¹ ie, 'do not meet' in relation to the threshold standards of awards, and 'does not meet' in relation to the quality of students' learning opportunities, enhancement of students' learning opportunities and the quality of public information

- Receive any ‘do(es) not meet UK expectations’ outcome judgement followed by a ‘requires improvement to meet UK expectations’ judgement or vice versa;
 - Are identified via assessments, inspections or reviews (eg by Estyn or other Professional, Statutory and Regulatory Bodies (PSRBs)) to be at risk in terms of quality of provision;
 - Are identified via our strategic engagement with institutions to be at higher risk in terms of students and quality.
14. The UQP will be informed by the following principles:
- The needs of the learners affected by any issues covered by the IRW should be paramount. In taking any action we, and the institution concerned, will ensure that learners continue to have access to high quality learning opportunities;
 - It will not be possible to develop a ‘one size fits all’ approach to action that needs to be taken in response to outcome judgements, as each judgement is likely to have been made for a different reason. We will consider appropriate action on a case by case basis in consultation with the QAA, the institution, the institution’s awarding body(ies), and other relevant partners;
 - The procedure will apply to HEIs and directly funded HE in FE provision.
15. We will be ultimately responsible for deciding the action to be taken when this procedure is activated. We will involve the institution in discussions and will consult with the QAA throughout the process. We may also consult relevant PSRBs if appropriate, and in the case of FEIs, may also consult Estyn, if the reasons for implementation of the UQP are likely to impact on other provision of that institution which it inspects.

Action to be taken following an initial ‘do(es) not meet UK expectations’ judgement

16. Actions at an initial ‘do(es) not meet UK standards judgement’ are presented diagrammatically at **Annex A**. We recommend that the annex is read in conjunction with this circular.
17. The initial judgement is formally communicated to the institution by means of a letter from the QAA to the head of the institution. We, and the QAA, expect that any IRW outcome will be discussed with the institution’s governors at the first available opportunity.
18. It should be the aim of all stakeholders to ensure action is taken to rectify the identified problems. The revised IRW handbook will detail the process from 2012/13 which provides an institution receiving a ‘do(es) not meet UK expectations,’ outcome with the opportunity to address the problems identified. This includes agreement of a detailed action plan with the QAA.

19. The primary responsibility for drawing up the action plan rests with the institution and we will encourage it to use other available sources of support and expertise where appropriate (eg the Higher Education Academy). While the QAA cannot act as a consultant to institutions regarding action plans, it will be prepared to comment on proposals.
20. FEIs² will be expected to involve their awarding bodies where appropriate. HEIs may need to involve FEI partners and/or other partners if necessary, in order to ensure that there is no risk to quality of provision of other partners.
21. The QAA will request progress reports from the institution at regular intervals on the implementation of the action plan and will monitor these to confirm that recommendations are being addressed. QAA staff will also meet with senior managers at the institution.
22. The QAA will pay a follow-up visit to the institution and will formally sign the review off when satisfied that the action plan has been implemented successfully, within a maximum of 12 months. The nature, scope and timing of the review are determined in accordance with the principle of proportionality, and through dialogue between the institution, the QAA and us, and will normally focus on issues identified in the IRW.
23. Throughout the 12 month period, the QAA will inform us of any concerns about the effectiveness of remedial action and discuss any additional actions required.
24. Failure to develop a satisfactory programme for follow-up action, or to make insufficient progress against an action plan in the stated time, will result in our initiating the UQP.

Action following a 'requires improvement to meet UK expectations' judgement outcome

25. Any institution receiving an outcome judgement of 'requires improvement to meet UK expectations' will be required to produce an action plan, which is agreed with the QAA. This procedure will be detailed in the revised IRW handbook from 2012/13.
26. We may initiate the UQP for institutions receiving one or more 'requires improvement to meet UK expectations' judgements. We may also initiate the procedure for institutions which fail to develop, or cannot agree, an appropriate action plan with the QAA to address any 'requires improvement to meet UK expectations' judgement within a reasonable time frame, or are deemed by the QAA to have made unsatisfactory progress against their action plan.

² and HEIs, where relevant

27. In addition, we may initiate the procedure for institutions receiving a judgement of 'requires improvement to meet UK expectations' in any category in two successive reviews, as this may indicate ongoing problems with quality. Finally, any 'do(es) not meet UK expectations' outcome judgement followed by a 'requires improvement to meet UK expectations' judgement or vice versa may also trigger the UQP.

Action following unfavourable outcome from another assessment, inspection, review or strategic engagement

28. We will be concerned if an institution is identified via another assessment, inspection or review (eg by Estyn or other PSRB) to be at risk of having accreditation of provision withdrawn.
29. We will expect institutions to keep us, as well as the organisation which carried out the assessment, inspection, review or strategic engagement, informed of the actions being taken in response to the unfavourable outcome. Should concerns regarding quality be identified repeatedly, or should they fail to be addressed to the satisfaction of the organisation concerned, we may choose to implement the UQP.
30. If we identify an institution to be at higher risk in terms of students and quality via our strategic engagement process, we may also choose to implement the UQP, depending on the reasons for the outcome judgement(s), and the scale of the issues identified.

Application of the unsatisfactory quality procedure

31. The UQP will be applied when we consider an institution to be at higher risk in terms of the quality of their provision.
32. This will normally be when the existing procedures as detailed in the IRW handbook have failed to result in sufficient improvement, as judged by the QAA in consultation with us, and/or it is not considered that the institution will be able to address the problem(s) within a suitable timescale without input or support from other agencies.
33. An initial decision regarding whether to apply the UQP will be made by us, in consultation with the QAA, within six weeks of submission of the action plan.
34. Should the QAA at any stage inform us that satisfactory progress is not being made against an agreed action plan, or if at the end of the action plan process the QAA reports that progress against the plan has not been satisfactory, we will take a decision in consultation with the QAA within six weeks of receiving this information regarding whether to apply the UQP.
35. In the case of concerns regarding quality of provision being identified repeatedly, or failing to be addressed to the satisfaction of a body

undertaking another assessment, inspection or review, we will take a decision in consultation with the body undertaking the assessment, inspection or review.

Concerns about standards and quality

36. Our first step will be to ask the QAA to carry out a further investigation using their process for concerns about standards and quality, to establish what should be done to address the institution's management of quality and standards within a set time frame.
37. This includes a preliminary investigation, at which an institution will be able to make a case for no further action.
38. The outcomes of the concerns about standards and quality process will inform our decision as to whether we need to take further action. In deciding whether to take further action, we and the QAA will consider the particular area(s) which gave rise to the outcome judgement and the scale of the issues identified via the causes for concern process.

Meeting of stakeholders

39. If the preliminary enquiry recommends a full investigation, then we and the QAA will arrange for a meeting to be held at the earliest possible opportunity. Attendees at this meeting will include representatives of the institution³, the institution's franchise or awarding partners if applicable; HEFCW; and the QAA. The needs of learners will be paramount, and therefore the meeting will include one or more representatives of the student body. Depending on the nature of the problem and of the institution, other stakeholders may also be included.
40. The purpose of this meeting will be to
 - Set out the reason(s) for the outcome judgement(s);
 - Establish the scale of the problem;
 - Establish the reasons for implementation of the UQP, including why and how the institution did not respond to the judgement or make sufficient progress against the action plan;
 - Discuss and determine the actions to be taken;
 - Discuss a timetable for addressing the issues (the 'dealing with unsatisfactory quality strategy' (UQ strategy)).
41. The UQ strategy will refer to the original action plan drawn up by the institution following the outcome judgement, and incorporate it if appropriate. The meeting will also address the potential press interest in the outcome

³ which should normally include the head of the institution, the Chair of the Board of Governors, and the institution's Head of Communications or other suitable representative; registrar/ secretary/ equivalent; representative of the student body to represent learners' interests

judgements, public interest in quality and standards of provision, and reputational damage to higher education in Wales.

42. Where the institution is an FEI, we will involve the FEI's awarding body(ies)⁴ where appropriate, as they are ultimately responsible for the standards of the awards and will need to be aware of any problems for their own risk management purposes. If the problem can be directly attributed to the management of partnerships between HEIs and FEIs, then we will expect all partners to be fully involved in the process.

Actions

43. From the time of the UQP being triggered, until we are satisfied that all required actions have been taken and the review is regarded as complete, we will:
- Not permit the institution to bid for additional HEFCW funding streams. We will also expect to withhold non-core funding which has been allocated but not yet come on stream. In taking this action, we aim to avoid further investment in institutions in which teaching, governance etc may be unsatisfactory. However, we will take account of the impact on students in taking this forward;
 - Aim to minimise the impact of unsatisfactory quality on the students at that institution;
 - Keep the institution under regular review including, in the case of an HEI, monitoring the institution through our institutional assurance review visits and, more broadly, our institutional risk review process⁵;
 - Liaise with the Welsh Government regarding FEIs, to ensure it considers the issues in its own risk management processes, as we do not have a 'whole institution remit'.
44. We may also take the following actions, in consultation with the QAA and following the meeting of stakeholders, depending on the circumstances. This list is not exhaustive and we will judge each case on its merits:
- Arrange for a support team to help the institution to resolve the issue(s). This might include peer reviewers for a particular subject, or experts with management, financial or other expertise, as appropriate;
 - Undertake a special assurance review, in the case of HEIs, to establish whether there are wider issues about management capability and governance. In the case of FEIs we cannot apply these measures as we do not have a whole-institution remit for them, but we will liaise with the Welsh Government as main funders, and with Estyn if appropriate⁶, over action to be taken;

⁴ these will generally be HEIs

⁵ more details are available in our Strategic Engagement circular, Circular W09/20HE at www.hefcw.ac.uk

⁶ if the cause of the outcome judgement impacts on other provision inspected by them

- Make recommendations to the institution's senior management team and, if appropriate, the Board of Governors. These will take the form of guidance rather than mandatory requirements;
 - If the source of the outcome judgement can be attributed to a particular subject, close the provision of that subject if appropriate and feasible, and move the affected students to a different provider. This might include moving from a directly funded arrangement to an indirectly funded one. The awarding body for the provision would need to be involved in this process, if this is not the institution which received the outcome judgement, and any relevant professional or statutory body would be involved if appropriate. Any decisions will need to take account of equality and diversity issues;
 - If the problem concerns a partnership between an HEI and a FEI, ask the QAA to undertake a special review in the FEI;
 - Subject to safeguarding the interests of students, withhold funding where we deem this action to be appropriate. The purpose of this will be to ensure that public money is not spent on education that is of unsatisfactory quality.
45. If, following the meeting of stakeholders, there remain concerns about the effectiveness of the remedial action, the QAA will conduct a further visit.

Outcome of implementation of the UQ strategy

46. Once the institution has successfully carried out the actions set out in its UQ strategy, as assessed by the QAA in consultation with us, then the restrictions detailed in paragraphs 40 and 41 will be lifted.
47. If there are still major problems outstanding after the expiry of the time frames agreed in the UQ strategy, or satisfactory progress has still not been made, a further meeting of relevant bodies will be called to discuss the management, funding and future of the institution. We reserve the right to withdraw some or all of our funding from that institution.
48. It is difficult to comment on the circumstances in which funding might be withheld, as each case will be different and will be considered on its own merits.

Partner institutions

49. While we expect partner institutions to be involved as appropriate, the above actions apply primarily to the institution which is the subject of the UQP. If any partner institutions are considered to be at risk in terms of sound and effective management of learning opportunities and academic standards, then we may ask the QAA to undertake an additional review of these partners. This will be dealt with as a separate issue.

Activity not funded by us

50. As we are responsible for ensuring that public funding for higher education is spent effectively, efficiently and economically, we will consider and evaluate any outcome judgement resulting from a HEI or FEI, or in an area of HE, that is not directly funded by us.
51. Depending on the nature of the reasons for the judgement, we will consider whether it should impact on public funding provided, or to be provided, to that institution.
52. The QAA will decide whether the matter warrants a further separate focused review in line with its process for concerns about standards and quality

Communications

53. All IR reports are published on the QAA website. In the case of institutions receiving a judgement of 'do(es) not meet UK expectations', the judgement will be amended once the action plan has been completed and the review signed off by the QAA Board, to show that the issue has been resolved.
54. We will view all discussions taking place under the UQP as strictly confidential. We will not disclose any information regarding the matter to the media and will consider the issue to be exempt from Freedom of Information requests while the matter is ongoing, as information will be provided in confidence and disclosure could substantially prejudice the commercial interests of the institution.
55. The institution will be expected to keep stakeholders informed of progress regarding the UQP and changes to their provision.
56. Our Student Experience, Teaching and Quality Committee will receive updates on progress at its meetings, as appropriate, and will report to our Council.
57. Outcome judgements of 'requires improvement to meet UK expectations' and 'do(es) not meet UK expectations' will generate substantial press and public interest, and have the capacity to cause reputational damage to the sector as a whole in Wales. Institutions should therefore involve their communications/press offices as early as possible and make them aware of when the IR report is made publicly available. They may wish to provide a holding statement to deal with any press enquiries.

Equality and diversity implications

58. We have carried out an equality impact assessment (EIA) screening on the original procedure 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. As the changes to USP are factual updates we have not undertaken a new equality impact assessment of the procedure.
59. Contact equality@hefcw.ac.uk for more information about EIAs.

Annex A. Response to outcome judgement of do(es) not meet UK expectations from 2012/13

