

**Minutes of the 161<sup>st</sup> meeting of the Council held on 8 November 2013 at HEFCW offices, Llanishen, Cardiff**

**Present:**

**Members:**

Mr Roger Thomas (Chairman)  
Dr David Blaney (Chief Executive)  
Mr David Allen  
Dame Sandra Burslem  
Mr David Mason  
Professor Leni Oglesby  
Professor Stephen Tomlinson  
Professor Robin Williams  
Mr Ewart Wooldridge

**Observers:**

Mr Chris Jones, Head of HE Finance & Performance Improvement, Welsh Government  
Ms Stephanie Lloyd, President, National Union of Students Wales

**Officers:**

Mr Dale Hall (Council Secretary)  
Ms Celia Hunt  
Ms Bethan Owen  
Ms Emma Rączka  
Mrs Clare Thomas  
Mr Nick Williams  
Ms Jackie Creswell-Griffith [item 9 only]

**Apologies:**

Professor Mark E Smith  
Mrs Bethan Guilfoyle  
Mr Neil Surman, Head of HE Division, Higher Education and Lifelong Learning, Welsh Government  
Mr Steve Egan, Interim Chief Executive, HEFCE  
Mr Laurence Howells, Interim Chief Executive, SFC

**1. Introductory remarks and declarations of interest**

- 1.1 The Chairman welcomed the observers to the meeting.
- 1.2 Although not in attendance, in relation to agenda item 12 (HEFCW/13/84) Bethan Guilfoyle had declared an interest as a representative of the schools sector as a Member of the Ministerial Advisory Group of the Department of Education and Skills of Welsh Government. No further members' interests were declared in relation to any of today's agenda items above and beyond those currently published on HEFCWs' website.

**2. Minutes of the meeting held on 5 September 2013 (HEFCW/13/Min160)**

- 2.1 The minutes were accepted as a true record of the meeting held on 5 September 2013.

**3. Matters Arising (HEFCW/13/77)**

- 3.1 Council received a report on action taken in relation to various matters arising from previous Council meetings.

Noted:

- 3.2 *Data on which subjects students from widening access areas or backgrounds were choosing to study* (5 September 2013, minute 9.2, final bullet) – The data analysis has been carried out and considered by SETQC.
- 3.3 *Consultation circular on carbon management in the sector* (5 September 2013, minute 10.3) – The circular would be issued in November.

**4. Chairman's Report**

- 4.1 Council received an oral report from the Chairman. Meetings and events attended since the last meeting of Council:

7 September – University of South Wales graduation ceremony

11 and 12 September – UUK conference

13 September – Meeting with Sir Roderick Evans, Deputy Chair of Swansea University.

19 September – Meeting with the Minister's Special Adviser

29 September – Meeting with Minister. Discussion topics included the Webb review report; ITT; and GO Wales.

4 and 22 October – Meetings with Huw Morris and Neil Surman to discuss the Webb report (Chief Executive also attended the meeting on the 22<sup>nd</sup>)

31 October – Meeting with Owen Evans.

- 4.2 The Chairman also noted the following forthcoming meetings and events:

18 November – Speech on higher education by Minister @ Cardiff University

29 November – Meeting of the chairs of WGSBs

2 December – Meeting with Minister (Chief Executive also attending)

- 4.3 The Chairman had begun his annual appraisal meetings with each Council member.

- 4.4 It was noted that 1 November was the closing date for receipt of applications in response to the Welsh Government's advertisement for a new Chair of HEFCW.
- 4.5 Professor Alice Brown had been appointed as the new Chair of the Scottish Funding Council, and the Chair of HEFCE had recently been re-appointed. HEFCE's new Chief Executive, Professor Madeleine Atkins, was due to start in post from January 2014.
- 4.6 The Chair of the Student Experience, Teaching and Quality Committee (SETQC) provided a summary of the key issues discussed at the Committee's last meeting on 23 October. These included a strategic discussion on widening access to higher education in the context of the Welsh Government's HE Policy Statement (paper HEFCW/13/83 refers), and also a discussion on the draft student experience strategic approach (paper HEFCW/13/82 refers).

**The paragraph below is exempt from publication under the Freedom of Information Act 2000 (prejudice to the effective conduct of public affairs)**

- 4.7 Exempt minute
- 4.8 The Chair of the Research, Innovation and Engagement Committee (RIEC) reported that the main discussion item at the Committee's last meeting had been the outcomes of the evaluation of various research collaborations supported by HEFCW. The analysis revealed a mixed picture of success by the various collaborations, with some lessons for the future.

## **5. Chief Executive's Report (HEFCW/13/CE6)**

- 5.1 Reflection on Members' Workshop, 7 November 2013  
The Council welcomed the visit by the Minister for the first part of the Workshop, noting that there had been positive dialogue with him on a range of issues. For the next Members' Workshop in May 2014 it was agreed to discuss the Council's risk management process, including the issue of the balance of risks on the register which were rated 'high' after mitigation. The Audit and Risk Committee had already agreed to reflect further on the risk management process at its next meeting in March 2014.
- 5.2 Reflection on institutional visit to UHOVI, 7 November 2013  
The Council welcomed the presentation and discussion with UHOVI staff at the visit to College Merthyr Tydfil, in particular the evidence provided of significant engagement with STEM subjects.

**The paragraph below is exempt from publication under the Freedom of Information Act 2000 (prejudice to the effective conduct of public affairs; commercial interests)**

Exempt minute

**The paragraph below is exempt from publication under the Freedom of Information Act 2000 (commercial interests)**

5.3 Exempt minute

5.4 Initial Teacher Training (ITT) intake targets 2014/15

Council delegated authority to the Chief Executive to approve the allocation of primary and secondary intake targets to institutions for 2014/15.

5.5 Proposal - redistribution of maximum fee grant to funded credits

Council approved the proposal on the redistribution of maximum fee grant to funded credits

5.6 Council received and noted a number of items for information:

- Chief Executive's Calendar of Meetings since the last meeting of Council on 5 September. It was noted that the Chief Executive, Director of Institutional Engagement and Director of Skills, Education and Funding would be appearing before the National Assembly for Wales' Finance Committee on 27 November to give evidence to the Committee's inquiry into higher education funding.
- HE Policy Statement: high level summary response.
- Recent Research Council Successes.
- Study on International Comparative Performance of the Welsh Research Base.
- Chief Executive's Miscellaneous Fund 2012/13.
- Note of HEW/CHEW/HEFCW Strategic Dialogue meeting, 6 September 2013 – The note had been shared with HEW and CHEW and, subject to receipt of any comments or feedback from them, the finalised note would be published on the Extranet. The NUS observer said that it would be welcomed if student representatives and HEFCW could hold a dialogue on the issue of creating a world-class higher education system in Wales. The Chief Executive agreed to take this forward.
- WAO value for money study on higher education finances – it was anticipated that this report would be published later in November.

**6. Analysis of the Welsh Government budget and proposals for future budgetary control (HEFCW/13/78)**

6.1 The paper provided an analysis of the draft Welsh Government budget for financial year (FY) 2014-15 and information on HEFCW's budgetary

financial position in the current academic year (AY) and from AY 2014/15 onwards.

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (for future publication)**

6.2 Exempt minute

6.3 Exempt minute

6.4 Exempt minute

6.5 Exempt minute

6.6 Exempt minute

6.7 Exempt minute

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (prejudice to the effective conduct of public affairs)**

6.8 Exempt minute

Resolved:

6.9 Exempt minute

6.10 Exempt minute

6.11 Exempt minute

6.12 Exempt minute

6.13 Exempt minute

6.14 Exempt minute

6.15 Exempt minute

6.16 Exempt minute

**7. Institutional Risk Review – interim reviews (HEFCW/13/79)**

7.1 This paper invited Council to approve the Audit and Risk Committee recommendations in respect of the interim Institutional Risk Reviews (IRRs) conducted by officers in September 2013.

**The paragraph below is exempt from publication under the Freedom of Information Act 2000 (for future publication)**

7.2 Exempt minute

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (prejudice to the effective conduct of public affairs; commercial interests)**

7.3 Exempt minute

7.4 Exempt minute

7.5 Exempt minute

7.6 Exempt minute

Resolved:

7.7 To consider the outcomes of the interim IRR assessments for each institution.

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (prejudice to the effective conduct of public affairs; commercial interests)**

7.8 Exempt minute

7.9 Exempt minute

7.10 Exempt minute

## **8. Fee Plan Proposals from 2015/16 (HEFCW/13/80)**

8.1 The paper outlined the proposed fee plan process from 2015/16 following the receipt in May of legal advice on the use of HEFCW Corporate Strategy targets as the future assessment vehicle for fee plans.

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (for future publication)**

8.2 Exempt minute

8.3 Exempt minute

8.4 Exempt minute

Resolved:

8.5 To agree the recommendations for fee plan arrangements from 2015/16, subject to the steers at 8.2.

8.6 To retain a one year fee plan with an option to extend to two years if appropriate nearer the time.

- 8.7 To endorse the proposed method of assessment of ambition in the plans.
- 8.8 To endorse the proposed method of assessment of achievement of the plans.
- 8.9 To delegate authority to the Chief Executive to finalise the proposals for consultation.

## **9. GO Wales Post 2014 (HEFCW/13/81)**

- 9.1 The paper invited Council to consider a request for funding for the GO Wales Programme 2015 to 2020.

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (for future publication)**

9.2 Exempt minute

9.3 Exempt minute

Resolved:

9.4 Exempt minute

9.5 Exempt minute

9.6 Exempt minute

## **10. Strategic approach to the student experience (HEFCW/13/82)**

- 10.1 The paper presented a proposed draft strategic approach to the student experience, 2013/14 to 2015/16, which had been discussed by the SETQC at its meeting in October.

Resolved:

- 10.2 That the proposed *Strategic approach to the student experience* appropriately addressed the Corporate Strategy key strategic theme.
- 10.3 To delegate authority to the Chief Executive to approve the document for publication, subject to the outcomes of impact assessment.

## **11. Strategic Approach to Widening Access (HEFCW/13/83)**

- 11.1 The paper provided a draft *Strategic Approach to Widening Access to Higher Education 2013/14 to 2015/16*, which had been discussed by the SETQC at its meeting in October.
- 11.2 Council agreed that some of the actions in the draft document needed to be made more quantifiable or measurable, and to state more clearly the

intended outcomes. Also, the actions should be conflated where possible. The NUS observer added that the document could include reference to working with students unions on widening access activities. It was further suggested that the strategy be reviewed against any references to widening access that might be included in the Minister's speech on 18 November.

Resolved:

- 11.3 To delegate authority to the Chief Executive to finalise the Widening Access Approach, subject to the steers at 11.2 and to the outcomes of impact assessment, prior to publication.

**12. Initial Teacher Training: Tabberer review and Welsh Government response (HEFCW/13/84)**

- 12.1 The paper provided the outcomes of *A Review of Initial Teacher Training in Wales* (the Tabberer review) and the Welsh Government's response.

**The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (prejudice to the effective conduct of public affairs)**

- 12.2 Exempt minute

Resolved:

- 12.3 Exempt minute

**13. Analysis of latest sector position against HEFCW Corporate Strategy measures (HEFCW/13/85)**

- 13.1 The paper presented an analysis of the sector's latest actual and forecast performance against both the former and the current HEFCW Corporate Strategy measures.
- 13.2 Council discussed whether a firmer approach should be adopted with respect to institutional performance against the NSS target. It was noted that the SETQC had provided a steer at its last meeting that the letters being sent to institutions which had not performed well in the 2013 NSS should be more strongly worded than previously.
- 13.3 The Council expressed concern that a significant number of HEFCW Corporate Strategy targets depended for their success on performance by the sector, but that based on the latest forecast data it was anticipated that many of the targets would not be achieved. The issue of Corporate Strategy targets and policy levers would be discussed further at the Members' Workshop on 8 May 2014.

Resolved:

- 13.4 To note the latest analysis of progress against the previous *For our Future* Corporate Strategy measures 2010-13.
- 13.5 To note the latest position and forecast sector position against the new Corporate Strategy 2013-16 measures.
- 13.6 To note the levers or funding available to secure improved performance in the Corporate Strategy targets 2013-2016.
- 13.7 To discuss further Corporate Strategy targets and policy levers at the Members' Workshop on 8 May 2014

**14. Annual review of Council governance arrangements (HEFCW/13/86)**

- 14.1 The paper invited the Council to carry out the annual review of its governance arrangements, including a review of key corporate governance documents and proposed amendments to committee remits
- 14.2 Officers were continuing to try and achieve Council's ambition for a more strategic focus for Council business, including by placing more significant and/or complex items for discussion higher up on the agenda. It would be considered whether this could be made more explicit on the agenda.
- 14.3 There were mixed views on the proposed revised Council paper structure. It was noted that the 'Background' section had been removed, with matters previously covered there captured under 'Issues'. The separate sections covering financial, communications, equalities and risk issues had been replaced by one, by-exception section on 'Implications'. It was suggested that the 'Issues' section might be expanded to capture the general tone of the paper and essence of the recommendations. The executive would reflect further on the revised paper structure before implementing for all Council and committee papers.
- 14.4 On the Framework Document, which would replace the Management Statement/Financial Memorandum between the Welsh Government and HEFCW, the Welsh Government observer said that the Document was due to be finalised within the next few weeks.
- 14.5 On the Strategic Development Committee (SDC), the Council agreed that in future the SDC would serve as an evaluation/monitoring committee, with the main purpose of monitoring progress on the deliverables agreed with the partnerships involved in recent mergers and collaborations funded by the Council, and also providing advice to Council in the event of any future capital or reconfiguration investments, should any be forthcoming.

Resolved:

- 14.6 To note progress to date in implementation of new ways of working for Council and committees.

- 14.7 To note various issues influencing the timing of the Council's next detailed governance effectiveness review, and to agree to receive proposals at a future meeting.
- 14.8 To approve the proposed amendments to the Committee Standing Orders.
- 14.9 To agree the proposed amendments to remits of the Student Experience, Teaching and Quality Committee; the Research, Innovation and Engagement Committee, and the Audit and Risk Committee (henceforth, Audit and Risk Assurance Committee).

**15 Any other business**

- 15.1 None

**16 Date of next meeting**

- 16.1 23 January 2014 – Institutional Visit to UW Trinity Saint David, Carmarthen campus.
- 16.2 24 January 2014 – Council meeting, HEFCW offices.

**17. Corporate Risk Register (HEFCW/13/87)**

Resolved:

- 17.1 To note the changes made to the Corporate Risk Register since May 2013.
- 17.2 To endorse the latest update to the Corporate Risk Register and the distribution of those risks.
- 17.3 To endorse the commentary on the current distribution of risks and on likely developments in the immediate future.

**18. Outcomes of consultation on changes to the institutional review: Wales (HEFCW/13/88)**

Resolved:

- 18.1 That the Institutional Review: Wales method be amended, in accordance with the advice received from QAESG and SETQC.

**19. University of Wales Dictionary: funding arrangements (HEFCW/13/89)**

Resolved:

- 19.1 To agree to a one-year extension of funding for the University of Wales Dictionary of the Welsh Language in 2014/15.
- 19.2 To approve an allocation of £82,173 for 2014/15.

19.3 To agree that release of the funding should be conditional on the submission of a financial sustainability plan in September 2014 and a progress update in April 2015.

**20. Draft response to Minister on monitoring the impact of student charters and guidance on good practice in funding of effective, democratic student unions, and student representation (HEFCW/13/90)**

20.1 The NUS observer said that the NUS had now submitted its feedback on the draft response. Generally, students unions believed that student charters were having a positive effect, with most universities seeing increased levels of student participation (for example, more engagement with university committees). It was suggested that student charters might be seen more as a 'living' document, by being more responsive to change and feedback. It was further noted that in some universities in Wales there was an absence of advice units to advise and guide students on funding matters, and that consequently some students were being referred on these issues to students unions.

Resolved:

20.2 To note the draft response to the Minister on the impact of student charters and the guidance on good practice in funding of effective democratic student unions and student representation.

20.3 To delegate authority to the Chief Executive to approve the final response.

**For information papers:**

**21. Reconfiguration and Collaboration (HEFCW/13/91)**

21.1 It was agreed to share with Council members details of the outcomes agreed with the University of South Wales for the merger funding package.

**22. Analysis of institutions' financial health based on latest forecasts (HEFCW/13/92)**

**23. Operational Plan 2013-14 - Quarter 2 update (HEFCW/13/93)**

**24. Part-Time Undergraduate Fee Waiver Scheme 2012/13 (HEFCW/13/94)**

24.1 It was agreed to bring to a future meeting details of the reasons for the low uptake of the Scheme by the University of South Wales and by Cardiff Metropolitan University.

**25. Cash expenditure report for the period April to June 2013 and update on financial year 2013-14 (HEFCW/13/95)**

- 26. **April to June Accruals Based Management Accounts report 2013-14 (HEFCW/13/96)**
- 27. **Unconfirmed notes of the meeting of the Research, Innovation and Engagement Committee (RIEC) held on 4 October 2013, and RIEC Annual Report 2012/13 (HEFCW/13/97)**
- 28. **Unconfirmed minutes of the Audit and Risk Committee meeting, 9 October 2013 (HEFCW/13/98)**

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