

## Minutes of the 166<sup>th</sup> meeting of the Council held on 25 September 2014 at Aberystwyth University

### Present:

#### Members:

David Allen (Chair)  
Dr David Blaney (Chief Executive)  
Dame Sandra Burslem (Deputy Chair)  
Bethan Guilfoyle  
David Mason  
Professor Mark Smith  
Professor Stephen Tomlinson  
Professor Robin Williams  
Ewart Wooldridge

#### Observers:

Mario Ferelli, Director of Analytical Services, HEFCE  
Chris Jones, Head of HE Finance and Performance Improvement, Welsh Government  
Beth Button, President, National Union of Students Wales

#### Officers:

Dale Hall (Council Secretary)  
Celia Hunt  
Bethan Owen

#### Apologies:

Professor Leni Oglesby  
Laurence Howells, Chief Executive, SFC  
Neil Surman, Head of HE Division, Higher Education and Lifelong Learning, Welsh Government

### 1. Introductory remarks and declarations of interest

- 1.1 The Chair welcomed the observers to the meeting.
- 1.2 No specific 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 4 July 2014 (HEFCW/14/Min165)

- 2.1 The minutes were accepted as a true record of the meeting held on 4 July 2014, subject to the following amendments.
  - Minute 4.2: amended to '...the **2014-15** remit letter...'

### 3. Matters Arising (HEFCW/14/65)

- 3.1 Council received a report on action since the previous Council meeting held 4 July 2014.

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

3.2 Exempt minute

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

3.3 Exempt minute

#### **4. Chair's Report**

4.1 Council received and noted the Chair's Calendar of Meetings since the last meeting of Council on 4 July 2014. The Chair gave an update on the following matters:

4.2 The Chair and Chief Executive's next quarterly meeting with the Minister was on 29 September. Discussion topics included institutional matters; the HE (Wales) Bill; and Initial Teacher Training.

4.3 The Chair drew members' attention to the summaries of the latest Times/Sunday Times and QS World University Rankings (for UK HEIs) league tables, which were tabled at the meeting. The positions of Welsh institutions were noted. The Council observed that the latest rankings revealed a striking two-tier system emerging in Wales.

#### **5. Chief Executive's Report (HEFCW/14/CE3)**

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

5.1 Exempt minute

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

5.2 Initial Teacher Training (ITT) review update  
Exempt minute

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

5.3 Budget modelling updates  
Exempt minute

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

5.4 Operational Plan 2014-15

Exempt minute

5.5 Update on 'Review of Higher Education and Student Finance Arrangements in Wales' (Diamond Review)

Exempt minute

5.6 Quality assurance procurement exercise

The Chief Executive reported that HEFCE had recently indicated it would be publicly tendering for the future contract to assess the quality of higher education. The QAA was being informed today of the decision. All subscribers would be consulted about the procurement proposals, and all four UK HE funding bodies would be involved a Steering Group to oversee the process (though Scotland had already indicated it wanted its own quality assurance system). HEFCW had received and would be providing input to a draft press release from HEFCE, which was due to be issued in the week beginning 6 October. The Council endorsed the desirability of remaining part of a UK-wide approach to quality assessment.

5.7 Competition and Marketing Authority: choice and competition in higher education

Following the publication in March 2014 of a report by the Office of Fair Trading (OFT) on higher education in England, the OFT's successor body, the Competition and Marketing Authority had begun follow-up work on OFT recommendations on maximising the potential benefits of choice and competition in higher education in England. It was understood there had been readings in House of Lords on possible new legislation on the rights of students in relation to non-supply of contract/ services by universities. The executive agreed to investigate further.

5.8 Stakeholder Survey 2015

The Council agreed to run its next stakeholder survey in 2015.

5.9 Mainstreaming of 'One Wales' Foundation Degrees [tabled]

The Council approved funding to mainstream One Wales part-time Foundation Degrees - up to £266,332 in 2014/15, and up to £625,000 in 2015/16.

5.10 Council received and noted number of items for information:

- Chief Executive's Calendar of Meetings since the last meeting of Council on 4 July 2014.
- Framework Document: finalised version.
- UK Research Partnership Investment Fund.
- Use of Chief Executive's Miscellaneous Fund 2013/14.
- Letter to Minister and response on increasing women and other underrepresented groups in public appointments in Wales,

- Appointments Committee approvals – Keiron Rees appointed as additional student member of the SETQ Committee until 30 September 2015.
- Report on exercises of delegated authority through the Scheme of Delegation – Expenditure of £2,000 from the Learning and Teaching Fund towards the costs of a seminar in November 2014 by the Learned Society of Wales on the Welsh Studies agenda.
- Research Excellence Framework (REF): Evaluation Plans and Promotion of Impact Case Studies.
- Outcomes of institutional reviews by the QAA: Cardiff University; Swansea University; and Cardiff Metropolitan University. Plus QAA annual monitoring report on the University of Wales (full report published on the Extranet).
- Department for Education and Skills Capital Funding.
- UCAS recruitment information for Welsh HEIs [tabled]

## 6. University update (HEFCW/14/66)

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

- 6.1 Exempt minute
- 6.2 Exempt minute
- 6.3 Exempt minute
- 6.4 Exempt minute
- 6.5 Exempt minute
- 6.6 Exempt minute
- 6.7 Exempt minute
- 6.8 Exempt minute
- 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

Resolved:

6.16 Exempt minute

## **7. HE (Wales) Bill Update (HEFCW/14/67)**

7.1 The paper updated the Council on the latest developments with respect to the HE(Wales) Bill. The Bill had recently been laid before the Assembly and was currently being scrutinised by various of its committees, following which there would be various debates in plenary before the Bill received Royal Assent, expected between January and March 2015.

7.2 The paper reiterated some of the concerns previously expressed by HEFCW with respect to control of costs, lack of policy levers and the timing of implementation. Attached to the papers was feedback submitted by Higher Education Wales (now called 'Universities Wales') and the Welsh Government's response to the concerns they had expressed.

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7.3 Exempt minute

7.4 Exempt minute

7.5 Exempt minute

Resolved:

7.6 To note the update on the HE (Wales) Bill.

7.7 Members to send through any further thoughts on the development of the Bill to the Director of Strategic Development (CH).

## **8. National Student Survey 2014 outcomes (HEFCW/14/68)**

8.1 The paper reported on the outcomes of the 2014 National Student Survey (NSS). Members noted the following key points:

- A good response rate for Wales, however the Welsh sector was now 1% behind the rest of UK on overall satisfaction. This meant HEFCW was not meeting one of its Corporate Strategy targets.
- Bangor University had performed well (above its benchmark); a number of other Welsh universities had done less well.
- Many universities post-merger had not done very well in the NSS. Such perturbation was to be expected following a merger, but only temporarily. HEFCW officers were monitoring closely and would

expect to see recovery, and then positive progress, over time by the institutions concerned.

- Members expressed concerned that the funding/investment gap between Wales and the rest of the UK might be negatively affecting Wales' NSS results.

8.2 The latest NSS results would be discussed more fully by SETQ Committee at its next meeting on 1 October. Council agreed that the Committee should pursue the matters of persistent poor performance, or issues around specific subject areas, with the institutions concerned as the Committee deemed necessary.

8.3 The NSS was now 10 years old and was currently under review by the HE funding bodies. A report was due later this year.

Resolved:

8.4 To note the 2014 NSS outcomes.

8.5 That as a result of its detailed review of the NSS results the SETQ Committee should pursue matters of persistent poor performance, or issues concerning specific subject areas, with the institutions concerned as it deemed necessary.

**9. Spearhead Programme (HEFCW/14/69)**

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

9.1 Exempt minute

9.2 Exempt minute

9.3 Exempt minute

9.4 Exempt minute

9.5 Exempt minute

Resolved:

9.6 To agree in principle to contribute the uncommitted balance from the Sêr Cymru budget to the proposed Spearhead programme, subject to:

- further discussion on and resolution of the various issues identified in minute 9.3 above;
- confirmation of the HE funding budget for 2015/16 being maintained at the current budget level

9.7 To delegate authority to the Chief Executive to take a final decision, in consultation with the Chair of the RIE Committee, following resolution of outstanding issues above.

## 10. Evaluation of the Coleg Cymraeg Cenedlaethol (HEFCW/14/70)

***The paragraphs below are exempt from publication under the Freedom of Information Act 2000 (information provided in confidence).***

10.1 Exempt minute

10.2 Exempt minute

10.3 Exempt minute

10.4 Exempt minute

Resolved:

10.5 To note the outcomes of the evaluation of the Coleg Cymraeg Cenedlaethol by Old Bell 3.

10.6 To delegate authority to the Chief Executive to finalise the submission to Welsh Government.

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

10.7 Exempt minute

## 11. 'Higher Education Nation' publication (HEFCW/14/71)

11.1 The paper reported on progress in delivering the remit letter requirement to produce a report on the performance of the sector. The disclosability status of the paper was amended to 'non-disclosable (for future publication)'.

11.2 The draft report (working title 'Higher Education Nation') had been shared with Universities Wales who had generally welcomed the work done so far in recasting the work of universities against the Programme of Government, in particular the proposed use of infographics. However, both HEFCW officers and Universities Wales were concerned about timescales: more time was needed to ensure that a quality product was produced, and also to tie in with the planned Universities Wales work on REF impact case studies.

11.3 The Council made the following observations:

- Emphasis on the front page should be to higher education in Wales, with details of HEFCW's role later on. It should stress how Welsh higher education is the 'jewel in the crown', with HEFCW having an important supporting role.

- An alternative title should be considered (for example, 'HE Serving the Nation' ? 'HE for the Nation' ?)
- The current draft appeared too inward looking. It needs to say more about the global impact of Welsh higher education, and on Welsh HE's relationship and contribution to business and the economy.
- Need to make clearer who are the key target audiences for the document (viz. AMs and Welsh Government officials).
- Include as many hard facts demonstrating impact as possible.

Resolved:

11.4 To note the draft 'Higher Education Nation' report.

11.5 To extend the completion time of the report to January 2015.

11.6 Members to forward any further thoughts on the document to the Director of Strategic Development (CH).

## **12. Reconfiguration and Collaboration (HEFCW/14/72)**

12.1 The paper updated the Council on developments relating to the reconfiguration of the sector, including institutional mergers. It also provided an update on Reconfiguration and Collaboration funding (RCF) and Strategic Development funding (SDF).

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12.2 **Exempt minute**

Resolved:

12.3 To note the position in respect of SDF and RCF funding.

12.4 To note the progress of the merger of the University of Glamorgan and University of Wales Newport.

12.5 To note the progress of the merger of the University of Wales Trinity Saint David and Swansea Metropolitan University.

12.6 To withhold the payment of the remaining £275k of HEFCW's funding contribution to High Performance Computing Wales, pending receipt of satisfactory information regarding the plans for the future sustainability of the project (as described in paragraph 9.5 b of the paper). Authority delegated to the Chief Executive to make the final decision on the payment.

**13. Any other business**

- Council asked about the use of the proceeds from the planned sale of the University of South Wales' Caerleon campus. It was noted that HEFCW's expectation would be that any sums raised would be re-invested in higher education in the regions in which the University operated.

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

- Exempt minute

**14. Date of next meeting**

- 14.1 Members' Workshop – Thursday 6 November 2014 at the HEFCW office.
- 14.2 Council meeting – am Friday 7 November 2014 at the HEFCW offices.

**Papers provided for information:**

15. **Finalised Annual Report and Accounts 2013-14 (HEFCW/14/73)**
16. **WISERD Education interim report (HEFCW/14/74)**
17. **BIS Capital Investment Consultation and Science and Innovation Strategy: HEFCW Submissions (HEFCW/14/75)**
18. **Cash expenditure report for the period April to June 2014 and update on financial year 2014-15 (HEFCW/14/76)**
19. **April to June 2014 Accruals Based Management Accounts report 2014-15 (HEFCW/14/76)**
20. **Minutes (unconfirmed) of the meeting of the Audit and Risk Assurance Committee, 25 June 2014 (HEFCW/14/76)**

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