

**Minutes of the 174<sup>th</sup> meeting of the Council held on 22 January 2016 at HEFCW offices, Llanishen, Cardiff**

**Present:**

**Members:**

David Allen (Chair)  
Dr David Blaney (Chief Executive)  
Dame Sandra Burslem  
Bethan Guilfoyle  
David Mason  
Dr Arun Midha  
Professor Leni Oglesby  
Professor Mark Smith  
Professor Robin Williams  
Dr Colin Wyatt

**Observers:**

Mario Ferelli, Director of Analytical Services, HEFCE  
Huw Morris, Welsh Government  
Neil Surman, Welsh Government  
Beth Button, President, National Union of Students Wales

**Officers:**

Dale Hall (Council Secretary)  
Celia Hunt  
Bethan Owen  
Emma Rączka  
Nick Williams

**Apologies:**

Laurence Howells, Chief Executive, Scottish Funding Council

**1 Introductory remarks and declarations of interest**

1.1 The Chair welcomed the observers to the meeting.

1.2 It was noted that immediately prior to today's meeting Dame Glenys Stacey, Chief Executive Officer and Chief Regulator of Ofqual, had given a presentation to the Council on the experiences and challenges of becoming a regulator, and had offered her views on the key issues and questions which HEFCW might consider as it moved into its regulatory role.

1.3 Arun Midha declared with respect to minute 4.1 that he had been an assessor for the latest Queen's Anniversary Prizes for Further and Higher Education, but had not been involved in the assessment of awards to Welsh institutions. No further 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 6 November 2015 (HEFCW/15/Min173)**

2.1 The minutes were accepted as a true record of the meeting held on 6 November 2015.

## **3. Matters Arising (HEFCW/16/01)**

3.1 Council received a report on action since the previous Council meeting held 6 November 2015.

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

3.2 Exempt minute

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

4.1 Council received and noted the Chair's Calendar of Meetings/Activities since the last meeting of Council on 6 November 2015. The Chair gave an update on the following matters:

- The Minister had announced he would be standing down at the next election.
- Mark Smith had been re-appointed by the Minister for a further three-year term on the Council, to 31 December 2018. The Welsh Government had decided not to re-appoint Ewart Wooldridge and Steve Tomlinson in order to leave space on the Council for potential changes following the Hazelkorn Review. Members expressed their thanks to both individuals for their contributions to the work of the Council. The Chair would write to both on behalf of Council.

As a consequence of these changes, there were now Council member vacancies on the Human Resources, Audit and Risk Assurance and Research, Innovation and Engagement committees. The Chair would be discussing these in due course in consultation with other Council members.

- Cardiff University and Cardiff Metropolitan University had each received awards in the recent Queen's Anniversary Prizes for Further and Higher Education. The Chair would write a letter of congratulation to each.

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

- Exempt minute

- Exempt minute

4.2 Exempt minute

4.3 Exempt minute

4.4 Exempt minute

## 5. Chief Executive's Report (HEFCW/16/CE1)

5.1 Reflections on the Institutional Visit to the Open University in Wales, 21 January 2016

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

Exempt minute

5.2 Exempt minute

5.3 Exempt minute

5.4 Institutional Visit to the University of South Wales, 17 March: proposed issues to cover

The Council agreed the provisional list of issues to be covered by the University at the forthcoming visit.

5.5 Update on Welsh Government's Review of conservatoire and performing arts provision in Wales

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

Exempt minute

5.6 Reaching Wider

*This item was covered as part of the discussion of the 'Budget Analysis and Modelling for 2016/17' paper (minute 7 refers).*

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

5.7 Exempt minute

5.8 HEFCW's Strategic Equality Plan

Resolved:

- i. To note HEFCW's duty to publish a Strategic Equality Plan covering 2016-20.
- ii. That members provide any comments on the early draft of the Strategic Equality Plan, available on the extranet, by 27 January 2016.
- iii. To delegate authority to the Chief Executive to publish HEFCW's draft Strategic Equality Plan for consultation, following its further development, including taking account of Council's responses.

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

- Chief Executive's Calendar of Meetings since the last meeting of Council on 6 November 2015.
- Catapult Centres.

- Materials and Manufacturing Academy (Swansea University).
- Note of Council Workshop, 5 November 2015.
- Note of Glyndŵr University address to Council, 24 September 2015.
- Update on electronic distribution of Council papers.
- The Well-being of Future Generations Act 2015.
- Appointments Committee actions.
- Report on exercise of delegated authority through the Scheme of Delegation.
- University-led European Structural & Investment Fund projects announced.

## **6. HE (Wales) Act 2015 update (HEFCW/16/02)**

6.1 The paper updated members on progress with the implementation of the Higher Education (Wales) Act 2015. There were three distinct developments of note:

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

6.2 Draft Fee and Access Plan guidance

Exempt minute

6.3 Draft Welsh Government guidance on the full implementation process

Exempt minute

6.4 Transitional Statement of Intervention

Exempt minute

6.5 The Council expressed its thanks to CH and the HEFCW team and to Welsh Government WG officials for all their work on this.

Resolved:

6.6 To note the Fee and Access Plan arrangements

6.7 To note the Welsh Government's draft guidance to HEFCW for full implementation of the Act and that officers would continue to query how the provisions regarding continuing students would operate.

6.8 To note the further information on the progress of implementation plans in the Act work streams.

## **7. Budget Analysis and Modelling for 2016/17 onwards (HEFCW/16/03)**

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

7.1 Exempt minute

7.2 Exempt minute

7.3 Exempt minute

7.4 Exempt minute

7.5 Exempt minute

7.6 Exempt minute

7.7 Exempt minute

7.8 Exempt minute

7.9 Exempt minute

7.10 Exempt minute

7.11 Exempt minute

7.12 Exempt minute

7.13 Exempt minute

7.14 Exempt minute

7.15 Exempt minute

7.16 Exempt minute

Resolved:

7.17 To note the contents of the draft Welsh Government's Budget for FY 2016-17 and the analysis of that budget.

7.18 To endorse the view that the annual adjustment for the implied efficiency gain is no longer appropriate.

7.19 To note the impact that the WG budget for FY 2016-17 would have on the funding allocations for AY2015/16 and AY2016/17, including that the funding available to HEFCW to distribute in AY 2016/17 amounted to a reduction of £52m on the previous year's funding based on the assumptions set out at minute 7.3.

7.20 To note the distribution options considered for the distribution of funds in AY 2016/17.

7.21 To delegate to a working group of the Council - comprising the Chair, the Deputy Chair, the Chair of the Audit and Risk Assurance Committee and the Chief Executive, and drawing on other Council members as necessary - consideration of potential options for funding allocations for AY 2016/17, and to put forward proposals to the Council.

**8. Diamond Review evidence report (HEFCW/16/04)**

8.1 The interim report of the Review of Higher Education Funding and Student Finance Arrangements commenced in April 2014, chaired by Professor Sir

Ian Diamond, had been published in December 2015. The Council commended the report as a very well researched piece of work and noted that there was no consensus from consultees on the way forward.

- 8.2 The key issue now for the Council was that any released resources should return to HEFCW control for the funding of Welsh Government priority areas that the market alone would not support.

Resolved:

- 8.3 To note the interim report of the Diamond Review.

## **9. Update on HE policy developments in England: (Green Paper consultation; Nurse Review: Stern Review) (HEFCW/16/05)**

- 9.1 The paper updated the Council on the latest HE policy developments in England, including with respect to the Green Paper, 'Fulfilling our potential: Teaching Excellence, Social Mobility and Student Choice'; the Nurse Review of Research Councils; and the Stern Review of the Research Excellence Framework.

- 9.2 It was noted that the Green Paper next steps included a technical consultation on the TEF. Concerns had been expressed in some quarters about the possibility of separating responsibilities for teaching and research funding. On the other hand, should research and teaching be separated in England this would not prevent the two remaining together administratively in Wales.

Resolved:

- 9.3 To note the latest information on HE policy developments in England.

## **10. Any other business**

- 10.1 Council noted that it was expected that Professor Hazelkorn would submit her report to the Minister in February.

## **11. Date of next meeting**

- Institutional Visit to the University of South Wales: 17 March 2016.
- Council meeting: 18 March 2016.

## **Papers for approval without discussion:**

### **12. Quality Assurance Agency Annual Report 2014/15 and Quality Assessment Review update (HEFCW/16/06)**

Resolved:

- 12.1 To approve the final report of the QAA on progress towards meeting the activities for 2014/15 set out in the SLA.
- 12.2 To note the QAA programme of services for 2015/16.
- 12.3 To note the outcomes of the Quality Assessment Review consultation.

**Papers provided for information:**

- 13. Cash expenditure report for the period April to September 2015 and update on financial year 2015-16 (HEFCW/16/07)**
- 14. April to September Accruals Based Management Accounts report 2015-16 (HEFCW/16/08)**
- 15. Update on Sêr Cymru II (HEFCW/16/09)**
- 16. Operational Plan 2015-16 Q3 update (HEFCW/16/10)**
- 17. Reconfiguration and collaboration update and minutes of the Strategic Development Committee meeting of 21 October 2015 (HEFCW/16/11)**
- 18. Unconfirmed Minutes of the Audit and Risk Assurance Committee held on 21 October 2015 (HEFCW/16/12)**
- 19. Meeting of the Quality Assessment Committee held on 4 November 2015 (HEFCW/16/13)**

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