

Minutes of the 185th meeting of the Council held on 16 November 2017 at the New House Country Hotel, Thornhill, 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
Chris Jones, Welsh Government
Alison Bryant, Welsh Government
Ellen Jones, President, National Union of Students Wales

Officers:

Dale Hall (Council Secretary)
Celia Hunt
Cliona O'Neill
Bethan Owen
Nick Williams

Apologies:

Scottish Funding Council

1. Introductory remarks and declarations of interest

1. The Chair welcomed the observers to the meeting. It was noted that Mike Cantlay had recently been appointed the new chair of the Scottish Funding Council.
- 1.2 No specific members' interests were declared in relation to any of today's agenda items above and beyond those currently published on the HEFCW website.

2. Minutes of the meeting held on 21 September 2017 (HEFCW/17/Min184)

- 2.1 The minutes were accepted as a true record of the meeting held on 21 September 2017.

3. Matters Arising (HEFCW/17/77)

- 3.1 *Electronic council paper system* – Difficulties continued to be experienced with the installation of the software. The latest exchange with the supplier indicated a solution might be possible if HEFCW were to make some changes to its IT configuration, but that it would take until Easter 2018 to fully implement. The executive was looking at other suppliers on the Jisc framework.

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

- 3.2 Exempt minute

4. Chair's Report (HEFCW/17/CH6)

- 4.1 *Dame Sandra Burslem and Professor Leni Oglesby* – Today's Council meeting was the last for Sandra and Leni, both of whom would complete their third and final term on the Council at the end of November. The Chair expressed his deep thanks and gratitude on behalf of all members for the outstanding service given by both individuals to the Council and to Wales over the last nine years.
- 4.2 *Recruitment of Council members* – The Chair expressed his thanks to the Welsh Government for the considerable effort it had put into the recruitment exercise, and also to the executive recruitment firm hired by Welsh Government to assist the process. Over 100 applications had been received, from which a strong field of 23 prospective candidates had been interviewed in October. The Cabinet Secretary had written to four successful candidates who would be appointed imminently. The Welsh Government had also agreed a number of other appointable candidates who would be approached to fill vacancies on the Council that arose over the next 12 months or so. The Chair said an induction programme would be implemented for the new members, and that they might also be supported through mentoring by existing Council members.
- 4.3 *Quarterly meeting with Cabinet Secretary, 27 September* – The meeting had discussed latest recruitment figures for Wales for 2017/18; White Paper and other post-compulsory education and training developments; the Council member recruitment exercise; and the civic mission agenda, including the Civic Mission Summit of 25 October.
- 4.4 *Well-being of Future Generations: year one commentary interviews with Wales Audit Office* – The Chair had highlighted in the interviews that HEFCW's new Corporate Strategy included reference to the sustainable development principle and to HEFCW's Well-being Objectives.
- 4.5 *New Regulation Committee* – Council member Dr Arun Midha had accepted the Chair's invitation, on behalf of the Council, to chair the new Committee. Terms of reference for, and the remaining membership of, the Committee were still being worked through.

5. Chief Executive's Report (HEFCW/17/CE6)

- 5.1 Reflection on Workshop, 15 November 2017

Council members welcomed the range of discussions at the Workshop, including the presentation from Welsh Government on labour market trends and future skills needs and the demonstration of HEFCW's new Knowledge Management System. It was suggested the latter might be augmented by the inclusion of data on trends in degree classification outcomes. Further Council discussion was needed on the issues of measures and the Council's future committees structure. The Council agreed that the Workshops continued to provide a useful forum for exploring ideas and more open types of discussion, though it was suggested that future agendas might be focussed on fewer items so that more time could be dedicated to each.

5.2 Cabinet Secretary's statement and draft budget 2018-19

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

5.2.1 Exempt minute

5.2.2 Exempt minute

5.2.3 Exempt minute

5.2.4 Exempt minute

5.2.5 Exempt minute

5.2.6 Exempt minute

5.2.7 Exempt minute

5.2.8 Exempt minute

5.3 Murphy Review Report: oral update

CJ said that conversations were on-going between the different parties but that the report had yet to be finalised.

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

5.4 Exempt minute

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

5.5 Exempt minute

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

5.6 Exempt minute

5.7 Exempt minute

5.8 Consultation on the new regulatory framework in England

A number of DfE consultations in England had potential implications for Wales, and it was understood that some Welsh HE providers intended to respond. The NUS observer said NUS Wales would contribute its views via the NUS UK response. Members asked whether the HEFCW executive had the resources to submit appropriately considered responses to these consultations. It was agreed it would be important to try and respond, particularly with respect to the potential impact of the proposed changes on quality arrangements, but also more generally where any of the proposals might have an adverse impact on Wales.

Resolved: The Council delegated authority to the Chief Executive to determine whether or not to respond to the consultation on the proposed regulatory framework in England, and if so to agree that response.

5.9 Initial Teacher Training: intake targets 2018/19

Resolved: The Council delegated authority to the Chief Executive to approve the allocation of primary and secondary ITT intake targets to institutions for 2018/19, the final year that HEFCW would be responsible for allocating ITT intake targets.

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

- Chief Executive's Calendar of Meetings since the last meeting of Council on 21 September 2017
- Senior Pay Report 2015/16
- HEFCW response to the Welsh Government's White Paper, *Public Good and a Prosperous Wales*
- Appointments Committee actions

6. Degree apprenticeships (HEFCW/17/78)

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

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 *To delegate authority to the Chief Executive to finalise funding arrangements.*

7. Outcomes of the consultation on the 'basket of goods' (HEFCW/17/79)

7.1 The paper updated the Council on the outcomes of the consultation on the collection and monitoring of data for the 'basket of goods'. This was a proposal

coming out of the Diamond Review about providing a comparison of the prices of various 'student goods' within HE providers, which HEFCW could monitor. Following consultation with NUS Wales, it had been agreed with Welsh Government that the information would not be published. The NUS observer commented that NUS Wales had been very closely involved in the consultation process and was content with the proposals put forward.

Resolved: The Council delegated authority to the Chief Executive to approve the outcomes of the consultation and data collection guidance for publication.

8. Outcomes of the consultation on the gateway review process, to enable institutions to seek automatic designation (HEFCW/17/80)

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

8.1 Exempt minute

Resolved: The Council

8.2 Noted the outcomes of the consultation on the gateway review process.

8.3 Delegated authority to the Chief Executive to approve the final gateway review process for publication.

9. Performance against current sector targets (HEFCW/17/81)

9.1 The paper provided the Council with an analysis of the sector's performance against the previous HEFCW Corporate Strategy targets (based on latest actual data for 2015/16), and attached a draft consultation on new sector measures. The Council noted that it had had a detailed, though inconclusive, discussion about measures at its Workshop on 15 November.

9.2 The Council recalled that its new Corporate Strategy 2017-20 included a proposal to "Develop measures by which to monitor the performance and delivery of higher education providers". The proposal was to instigate a two-stage consultation process: an initial one now about the information available, inviting general views, followed by a second consultation around a number of key measures.

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).

9.3 Exempt minute

9.4 Exempt minute

9.5 Exempt minute

9.6 Exempt minute

9.7 Exempt minute

10. PGT Interim Support Package 2018/19 (HEFCW/17/82)

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

10.1 Exempt minute

10.2 Exempt minute

10.3 Exempt minute

10.4 Exempt minute

10.5 Exempt minute

10.6 Exempt minute

10.7 Exempt minute

11. Matters arising from the Quality Assessment Committee (HEFCW/17/83)

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).

11.1 Exempt minute

11.2 Exempt minute

11.3 Exempt minute

11.4 Exempt minute

11.5 Exempt minute

11.6 Exempt minute

11.7 Approved the QAA Annual Report 2016/17, which was the last year of HEFCW's contract with the agency.

11.8 Noted the QAC Annual Report for 2016/17.

11.9 Took assurance from the QAA and QAC annual reports that HEFCW had discharged its quality assurance responsibilities effectively.

12. Annual review of key Council governance documents (HEFCW/17/84)

12.1 The Council conducted the annual review of its key governance documents. No updates or amendments to the documents were proposed this year. The *Committee Standing Orders* would be considered as part of the on-going review by Council of its committee structure, discussions on which were initiated at the Council Workshop on 15 November. The *Code of Practice for*

Members would be brought to a future Council meeting for review against revised *Terms and Conditions for Appointment to HEFCW* that Welsh Government currently was developing.

Resolved: The Council

- 12.2 Reviewed its key corporate governance documents and agreed that no amendments or updates were required.
- 12.3 Noted the annual report on the application of the Council's official seal.

13. Any other business

None.

14. Date of next meeting

- 14.1 25 January 2018 at Bangor University.

Papers for approval without discussion:

15. HEFCW Corporate Risk Register and Issues Log (HEFCW/17/85)

Resolved: The Council

- 15.1 Noted the latest update to the Corporate Risk Register (Annex Ai) and the distribution of those risks.
- 15.2 Noted changes made to the Corporate Risk Register since July 2017 (Annex B).
- 15.3 Noted the latest HEFCW Issues Log (Annex Aii).
- 15.4 Noted the commentary on the current distribution of risks and on likely developments in the immediate future.

Papers provided for information:

- 16. Draft Operational Plan 2017-18 Q1 & Q2 update (HEFCW/17/86)**
- 17. Analysis of institutions' financial position based on latest forecasts (HEFCW/17/87)**
- 18. Fee and Access planning update (HEFCW/17/88)**
- 19. Widening Access Programme of Action 2015/16 and 2016/17 – final report (HEFCW/17/89)**
- 20. Jisc annual report 2016/17 (HEFCW/17/90)**
- 21. ARAC (HEFCW/17/91)**
- 22. RIEC (HEFCW/17/92)**