

## Minutes of the 186<sup>th</sup> meeting of the Council held on 25 January 2018 at Bangor University

### Present:

#### Members:

David Allen (Chair)  
Dr David Blaney (Chief Executive)  
Professor Sir Keith Burnett  
James Davies  
Bethan Guilfoyle  
Sarah John  
David Mason  
Dr Arun Midha  
Professor Mark Smith  
Dr Colin Wyatt

#### Observers:

Huw Morris, Welsh Government  
Chris Jones, Welsh Government  
Clare Maxwell, Welsh Government  
Ellen Jones, President, National Union of Students Wales

#### Officers:

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

#### Apologies:

Professor Helen Marshall  
Professor Robin Williams  
Professor Madeleine Atkins, HEFCE  
Dr John Kemp, SFC

### 1. Introductory remarks and declarations of interest

- 1.1 The Chair congratulated David Mason for taking on the role of Deputy Chair of Council. The Chair welcomed the four new Council members that had been appointed by Welsh Government in December 2017: Professor Sir Keith Burnett; James Davies; Sarah John; and Professor Helen Marshall, noting that Professor Marshall was unable to attend today's meeting due to an existing commitment. The Chair welcomed the observers to the meeting, including Clare Maxwell, Head of Planning at Welsh Government, attending her first Council 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 16 November 2017 (HEFCW/18/Min185)

- 2.1 The minutes were accepted as a true record of the meeting held on 16 November 2017, subject to the following amendment:

- Minute 5.2.6: "...the threshold for the repayment of tuition fee loans from **£21k to £25k...**"

### **3. Matters Arising (HEFCW/18/01)**

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

#### **3.1 Exempt minute**

### **4. Chair's Report (HEFCW/18/CH1)**

- 4.1 The 22 November meeting with the Cabinet Secretary and the Minister for Skills and Science to discuss research and innovation matters had been very helpful.
- 4.2 The Chair had held a useful meeting on 18 January with Professor Julie Lydon in her role as the new Chair of Universities Wales.
- 4.3 Induction meetings with the four new Council members had been arranged for February. The refreshed Council membership would provide a good opportunity to re-examine the Council's committee structure.

### **5. Update from Chairs of Council Committees (HEFCW/18/CC1)**

- 5.1 The Chair explained that this was a new standing item on Council agendas that would allow each committee chair, on a by exception basis, to provide an oral report to the Council on key developments arising from the work of their respective committees.
- 5.2 *Research, Innovation and Engagement Committee (RIEC)* - The Chair had spoken to the Chair of RIEC, Professor Robin Williams, who had asked that Council note the recent appointment of Professor Peter Halligan as the new Chief Scientific Advisor for Wales. Professor Williams had suggested that, in view of the Welsh Government's White Paper proposal to establish a committee of the new Commission focused on research and innovation matters, the Council might consider re-formulating RIEC as 'Research and Innovation Wales'. Council members were supportive of the proposal, which would be brought formally to the Council's next meeting in March. The Chair, Chief Executive and Chair of RIEC would be seeking a meeting with the new Chief Scientific Advisor to discuss closer working.
- 5.3 *Audit and Risk Assurance Committee (ARAC)* – The Chair of ARAC (David Mason) reminded Council of the private briefing it had received last year on the outcomes of an internal audit report on HEFCW's Academic Year (AY)/ Financial Year (FY) reconciliation processes (the full internal audit report was available with the ARAC papers on the Extranet). ARAC had discussed the report in detail at its meeting on 18 October 2017. The Chair and Chair of ARAC had met with Welsh Government officials in December to discuss the report's findings, and officials had asked whether HEFCW might find it helpful to seek external

assurances on the issues in support of taking forward proposed solutions. This suggestion would be considered further at the next ARAC meeting on 7 March.

- 5.4 *Regulation Committee* – It had been agreed that Dr Arun Midha would chair this new Committee. The Council would receive at its March meeting the proposed final terms of reference and membership of the Committee. In the meantime, Dr Midha noted that he had had useful initial conversations with officers about the role and operation of the Committee, and how best to promote HEFCW’s fee and access planning responsibilities.
- 5.5 *Student Opportunity and Achievement Committee (SOAC)* – The Chair of SOAC (Bethan Guilfoyle) noted the broad membership of the Committee, which included learners, providers, employers, etc. SOAC meetings usually started with a strategic discussion, with all members invited to contribute. SOAC had a sub-committee looking at the Reaching Wider programme (minute 11 refers). At the last review of its terms of reference, the Committee suggested that officers track the advice being provided by SOAC to the Council in order to demonstrate the value it added.
- 5.6 *Human Resources Committee* – The Chair of HR Committee (Dr Colin Wyatt) reported that the Committee normally met twice a year and that its chief purpose was to provide advice and support to HEFCW officers on its HR policies and processes. Key matters currently being discussed by the Committee were the 2017-18 staff pay award and potential organisational changes arising from the Welsh Government’s White Paper proposals.
- 5.7 *Strategic Development Committee* – The Chair reported that this Committee had been chaired by Dame Sandra Burslem, who had completed her final term on the Council at the end of November 2017. Dame Sandra had advised the Council at its last Workshop in November that the Committee had probably served its purpose. Therefore, it would be formally proposed to Council’s meeting in March that the Committee be stood down.
- 5.8 *Quality Assessment Committee (QAC)* – The Council was required by statute to have a QAC. Professor Helen Marshall had agreed, at the invitation of the Chair, to be the new Chair of QAC. It was noted that Professor Marshall had agreed not to undertake any QAA work in Wales.

## **6. Chief Executive’s Report (HEFCW/18/CE1)**

### **6.1 Oral update on various recent developments**

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

#### **6.1.1 Exempt minute**

#### **6.1.2 Funding**

The implementation of the Diamond Review recommendations offered the opportunity for a more sustainable settlement for Wales. However, the additional funding would take some time to come through.

### 6.1.3 *Regulation*

The Higher Education (Wales) Act 2015 gave greater regulatory responsibilities to HEFCW, the most important of which related to the approval of fee and access plans. Adapting to the new requirements of the Act had proved challenging to the organisation, both in terms of the change of mind-set (regulating was very different to funding) and operationally.

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

6.2 Exempt minute

### 6.3 Institutional Visit to Cardiff Metropolitan University, 22 March 2018

Resolved: The Council approved the provisional list of discussion topics for its forthcoming visit to Cardiff Metropolitan University.

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

6.4 Exempt minute

### 6.5 Update on Post-Compulsory Education and Training (PCET) developments

Following the initial consultation on the White Paper (*Public Good and a Prosperous Wales*) last autumn, the Welsh Government would later this year launch a Technical Consultation on its PCET proposals. The Chair and Chief Executive continued to hold regular discussions with Universities Wales, Colegau Cymru and National Training Federation Wales on options for closer working.

### 6.6 Update on Murphy Review

HEFCW had been asked to advise Welsh Government on the Review's recommendations. The proposed response would be brought to the Council's next meeting in March.

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

6.7 Exempt minute

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

6.8 Exempt minute

6.9 Exempt minute

### 6.10 Degree Apprenticeships update

HEFCW was continuing to work closely with officials in Welsh Government on apprenticeships developments.

### 6.11 2021 REF: Research Fellows in QR formula

Resolved: The Council

6.11.1 Agreed in principle that, following the 2021 REF, Research Fellows should be treated as Category A staff in our QR formula, rather than as a minor volume measure.

6.11.2 Delegated authority to the Chief Executive to approve this arrangement following informal consultation with institutions.

6.12 HEFCW's response to the consultation on the new regulatory framework in England

The Council commended the HEFCW response, noting that it raised a number of important points with respect to the potential impact in Wales of the proposed new regulatory framework.

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

6.13 Proposed running costs' budget for FY 2018-19  
Exempt minute

Resolved: The Council approved the proposed running costs' financial year budget for 2018-19.

6.14 Global Challenges Research Fund: Institutional Strategies

Noted that the circular would be published imminently and that responses would be sought against a relatively short timescale.

Resolved: The Council approved the indicative Global Challenges Research Fund allocations for 2018/19 and 2019/20 as set out in Table 2 of Annex A.

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

- Chief Executive's Calendar of Meetings since the last meeting of Council on 16 November 2018.
- The consultation on the UK Quality Code for Higher Education
- QAA Review of Higher Education in Wales: Key Findings 2010-16
- Note of Council Workshop, 15 November 2017
- Appointments Committee actions
- Report on exercises of delegated authority through the Scheme of Delegation

**7. HEFCW funding AY 2018/19 (HEFCW/18/02)**

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

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

*Resolved: The Council*

7.11 Exempt minute

7.12 Exempt minute

7.13 Exempt minute

7.14 Exempt minute

7.15 Exempt minute

7.16 Exempt minute

7.17 Exempt minute

7.18 Exempt minute

7.19 Exempt minute

7.20 Exempt minute

7.21 Exempt minute

7.22 Exempt minute

## **8. Interim Institutional Risk Reviews (IRRs) (HEFCW/18/03)**

8.1 The paper presented the outcomes of the interim Institutional Risk Reviews conducted in November 2017 and reviewed by ARAC at its meeting on 6 December 2017.

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

8.2 Exempt minute

8.3 Exempt minute

*Resolved: The Council*

8.4 Exempt minute

8.5 Exempt minute

8.6 Exempt minute

## 9. HEFCW Fee and Access Plan Guidance (HEFCW/18/04)

- 9.1 The paper provided the HEFCW draft 2019/20 fee and access plan guidance and updated the Council on fee and access plan developments. The NUS Observer commended HEFCW for consulting NUS Wales in the development of the guidance and including its priority issues of student mental health and the representation of black and minority ethnic students in the draft guidance. The NUS Observer also commended HEFCW for its progressive approach to the Reaching Wider Programme (minute 11 refers).

[The NUS Observer left the meeting at this point.]

- 9.2 This was the third year of HEFCW overseeing fee and access planning, its key regulatory tool under the Higher Education (Wales) Act 2015. There were two key components to the process in Wales: equality of opportunity and the promotion of higher education.
- 9.3 The proposed guidance for 2019/20 fee and access plans took into account feedback received through consultations with Welsh Government; regulated institutions; NUS Wales and other key representative organisations. Next year officers proposed to undertake a review and rationalisation of the guidance document. The Council's new Regulation Committee, once established, would be responsible for oversight of fee and access planning processes.

Resolved: The Council

- 9.4 Noted the HEFCW draft 2019/20 fee and access plan guidance
- 9.5 Noted the outcomes of HEFCW meetings with Welsh Government, the HEFCW/regulated institutions seminar and meetings with representative bodies.
- 9.6 Delegated authority to the Chief Executive to finalise the HEFCW 2019/20 fee and access plan guidance for publication.
- 9.7 Delegated authority to the Chair and Chief Executive to approve, or otherwise, 2019/20 fee and access plans that meet the regulatory requirements of the 2015 Act and the criteria set out in the HEFCW fee and access plan guidance.

## 10. Specific Designation (HEFCW/18/05)

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

10.1 Exempt minute

10.2 Exempt minute

10.3 Exempt minute

Resolved: The Council

10.4 Exempt minute

10.5 Exempt minute

**11. Reaching Wider (RW) Programme Review (HEFCW/18/06)**

11.1 The paper reported on progress of a review of the HEFCW-funded Reaching Wider Programme and sought Council approval of recommendations on the future of the Programme.

Resolved: The Council

11.2 Noted the RW Review purpose, Review group membership and initial steers.

11.3 Considered the RW Review Group's initial conclusions.

11.4 Approved the RW Review Group's recommendations set out in paragraph 9.1 of the paper.

11.5 Noted that Council would receive a further RW Review report in March 2018.

**12. Any other business**

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

12.1 Exempt minute

**13. Date of next meeting**

13.1 Council meeting – 21 March 2018 at the HEFCW offices, Bedwas.

13.2 Institutional Visit – 22 March 2018 to Cardiff Metropolitan University,

**Papers for approval without discussion:**

**14. Financial regulations 2017 – annual update (HEFCW/18/07)**

Resolved: The Council agreed

14.1 The changes proposed to the Financial Regulations as shown in Annex A.

14.2 The additional change as recommended by the Audit and Risk Assurance Committee.

**Papers provided for information:**

**15. Operational Plan 2017-18 Q3 (HEFCW/18/08)**

**16. Fraud and bribery policy and procedures - review (HEFCW/18/09)**

**17. Fraud and Bribery Risk Register Annual Review (HEFCW/18/10)**

**18. April to September accruals based management accounts report 2017-18 (HEFCW/18/11)**

- 19. **Cash expenditure report for the period April to September 2017 (HEFCW/18/12)**
- 20. **SOAC Annual report and minutes of the meeting held 14 November 2017 (HEFCW/18/13)**
- 21. **Unconfirmed Minutes of Audit and Risk Assurance Committee held on 6 December 2017 (HEFCW/18/14)**

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