

**Consultation on HEFCW's draft 2017/18 fee and access plan guidance
A response by Universities Wales**

1. About Universities Wales

- 1.1. Universities Wales represents the interests of universities in Wales and is a National Council of Universities UK. Universities Wales' Governing Council consists of the Vice-Chancellors of all the universities in Wales and the Director of the Open University in Wales.¹

2. Introduction

- 2.1. The following comments respond to the consultation on HEFCW's draft 2017/18 fee and access plan guidance published by the Higher Education for Wales (HEFCW) on 8 February 2016.² The guidance on fee and access plans relates to the first year of the full introduction of the major new regulatory system for higher education in Wales introduced by the Higher Education (Wales) Act 2015 (the 2015 Act). Under the 2015 Act, HEFCW gained a wide range of new powers and duties in relation to institutions with an approved fee and access plan, known as 'regulated institutions'. This guidance is important for existing universities who previously held fee plans under the old system, and also for new providers and further education colleges who wish to become part of the new regulated sector in order for its students to access greater student support finance. At this stage, HEFCW's draft guidance takes account of fee and access plan guidance issued by the Welsh Government and published by HEFCW on 29 January 2016.³ The consultation is also closely related to HEFCW's parallel consultation on its guidance for institutions offering provision under partnership arrangements, also issued on 8 February 2016.⁴

3. General comments

- 3.1. We welcome the current opportunity to comment on HEFCW's intended fee and access plan guidance. From the outset we should recognise that many of the issues we identify in our response stem not from HEFCW's policy but from shortcomings in the 2015 Act itself, which we commented on during the passage of the legislation. We appreciate the very significant efforts that HEFCW has made to work with HE sector to resolve these issues within the very challenging deadlines for implementation.

¹ For further information about Universities Wales see: <http://www.uniswales.ac.uk/>.

² HEFCW Circular W16/07HE (see HEFCW's website for the [Circular](#) and [Annex](#)).

³ HEFCW Circular W16/03HE (see HEFCW's website for the [Circular](#), the Welsh Government's [Covering Letter](#), and the Welsh Government's [Guidance](#)).

⁴ HEFCW Circular W16/08HE Guidance on partnership arrangements for provision delivered by external providers on behalf of regulated institutions in Wales (available [here](#)).

3.2. In particular, we identify the following issues in our comments below:

- A general need, throughout the document, to make the relationship between HEFCW's guidance and the Welsh Government's guidance clearer. (see question 7)
- A need, in particular, for further clarification on the application of the regulated institution/external provider distinction in relation to partnership and subsidiary arrangements (under question 4)
- A need to clarify the location criteria (under question 2).
- The need to take the major funding reductions for universities into account in setting investment expectations (see question 6).
- A need to give further consideration to the annual requirements and submission cycle (under questions 2 and 5)
- The need for further review of details in the light of the development of the Financial Code and quality arrangements (see e.g. question 15).

4. Section one: The regulatory system

Question 1: Are the information expectations set out in section one reasonable and proportionate?

4.1. Yes, subject to our comments below. The information requirements may need to be adjusted further in light of the development of the Financial Code. It is likely, for instance, that if the current Memorandum of Assurance and Accountability (MoAA) is the basis for this Code, that more information on committee structures may be required. The current MoAA stipulates that institutions must have a finance committee and audit committee, and that there should be no cross-over in membership. Given the potential for new institutions to have very different corporate structures, it will be important to ensure that appropriate equivalents are in place.

Question 2: Is there any additional information that would enable an applicant to evidence effectively that it is an institution in Wales that is a charity providing higher education, without creating undue reporting burdens on applicants?

Criteria for being an institution in Wales

4.2. HEFCW has sought to base its approach on the Welsh Government's guidance on this context. The Welsh Government's guidance provides an interpretation that goes beyond the wording of the 2015 Act, and is arguably not helpful in this context. It suggests that 'principally' is interpreted as the 'majority of an institution's activities'. The Welsh Government guidance could be read to suggest that this interpretation is consistent with

definitions in the 1992 Act⁵ or the Education 2005 Act⁶. However, we should be clear that it is the wording of the 2015 Act and not the Welsh Government's suggested interpretation that is consistent with existing legislation. Neither of the acts referred to use the word 'majority'. As we have commented previously, principally could also be interpreted as a providers main or largest activity.

- 4.3. If the Welsh Government guidance is adopted, does this suggest a strict numerical approach should be taken (i.e. a majority means a threshold of 50% or more)? This approach potentially makes the assessment based on clear quantifiable criteria. On the other hand, there are risks that an overly numerical approach based on this definition could be lead to unintended results. For instance, annual variation on marginal cases which took the balance below the thresholds would lead to automatic removal of regulated institution status. It could also potentially discourage institutions from developing and extending provision in future. We would suggest that HEFCW adopts numerical student test as a key indicator, but that it bases its final decision in light of all relevant evidence.
- 4.4. The Welsh Government guidance also doesn't attempt to answer a further important question. What are the activities that are to be located? The Act could presumably refer not just to teaching activities but to research or other activities. It is noted that the definition of activities in the 1992 Act relates to the whole range of HE activities including research.
- 4.5. The HEFCW guidance points to the HESES definitions set in HEFCW circular W15/20HE for guidance on the location of activities. However, this circular was only a consultation document and expressly proposed a number of changes – an updated reference document is needed, particularly for institutions which are new to the regulated sector. It is also not clear from HEFCW's guidance which are the relevant HESA location indicators, as there are a number of potential options (based on staffing e.g. - location of employment; based on location of student, e.g. term-time address; based on location of provision e.g. campus location, location of study codes).
- 4.6. The draft template circulated at the Fee and Access Plan event in February 2016 appears to confirm that HEFCW intends the location to be based on full-time undergraduate and PGCE location primarily. It is not clear why PGCE provision is included. We suggest that a wider range of location information may be relevant.

⁵ s.62(7)(a) "... references to institutions in England or institutions in Wales—(a) are to institutions whose activities are carried on, or principally carried on, in England or, as the case may be, Wales, but (b) include, in both cases, the Open University."

⁶ s.85(4)" an institution or body is in Wales if its activities are carried on, or principally carried on, in Wales"

4.7. We also note that HESA defines an institution's region by reference to the administrative centre of that HE provider – which may or may not be identical to its 'principal address', its 'principal office' (Halsbury definition is quite close to HESA's), or its 'legal address'.

Planning cycle and information requirements

4.8. A key issue is the extent to which institutions will be required to submit the same information annually. We would welcome HEFCW reviewing the information requirements, to reduce the potential burden for institutions from repeating the preparation and submission of information annually, if it can be dealt with in the initial application and appropriate arrangements made to notify HEFCW of changes as required.

4.9. We recognise that there is likely to be information that needs to be revised and updated on an annual basis. For instance HESA data on student numbers (which are relevant to whether an institution meets the location criteria for a regulated institution) and student and financial forecasts, we would expect to be revised and published on an annual basis.

4.10. However, on the face of it, information relating to a number of requirements that could in general be treated in a separate application form and treated differently. This would include for instance, details about charity status, legal address/corporate location(s), and provider registration numbers, information on corporate and group structures, and governance arrangements, etc.

4.11. HEFCW would need to know if there are material changes to any of these as they arise (rather than waiting for the submission of a new application) as it is under a duty to ensure that the institutions meet these requirements on an on-going basis. This type of information is unlikely to change on an annual basis, but may change on an ad-hoc basis. We would suggest that institutions should have a clear duty to report any changes or intended/expected changes as they arise.

Question 3: Are there any unintended consequences, or barriers to entry, that might arise as a result of the evidence requested in relation to financial viability and the organisation and management of financial affairs?

4.12. The new arrangements will mean adjustment to current timetables for submission of information and data, with attendant consequences for that data and for institutions' workload. At the moment student number and financial forecasts for HEFCW are prepared annually by the end of July for the current academic year (ending 31 July) and the next 5 years.⁷ The deadline for submission of annual monitoring statements (which were once submitted in July alongside student number and financial forecasts) was moved from November to April to allow reporting on confirmed HESA data. According to the draft

⁷ See HEFCW Circular W15/11H, [here](#).

guidance, fee and access plan applications will be required by May, and monitoring will take place in December.

- 4.13. HEFCW proposes that institutions submit 5 year forecasts which include the current year (near completion) and the following four years. This would mean that providers who submitted forecasts to HEFCW in July 2015 as part of the current strategic planning process, could simply reuse these when applying for fee and access plan approval in May 2016.
- 4.14. HEFCW will still expect institutions to submit revised forecasts by 31 July 2016, however, which will mean that the new forecasts are likely to be available before the plans are approved by HEFCW on the current timetable. It also means, that the forecast period is effectively shorter than at present which could be seen as an issue, particularly where new providers are concerned.
- 4.15. For this year in particular, given the transition to the new Financial Reporting Standards required, this would in general appear to be a sensible and pragmatic approach. HEFCW will need to consider how they would deal with a situation where the new forecasts or information available before a plan is finally approved appear to show a significantly different financial outlook to the ones submitted with the application, however. We would also suggest that HEFCW reviews its timetabling and forecast requirements again for future years.
- 4.16. As indicated above, the information requirements may need to be adjusted further in light of the development of the Financial Code.

Question 4: Are there any unintended consequences, or undue barriers to entering the regulatory system, arising from the information required on the quality of education, including categories of provision and provision provided on, or on behalf of, a regulated institution?

Categories of provision and partnership arrangements

- 4.17. The Act draws a distinction between regulated institutions and external bodies who provide higher education on behalf of a regulated institution. In practice, the distinction determines which provider in a partnership arrangement must include the provision in its fee and access plan in order for courses to qualify for automatic student support – and may mean that some partners now need to apply separately for a fee and access plan. It also makes a significant difference about the regulatory powers that would apply directly to a provider.
- 4.18. One of the key issues identified by Members and in discussion with HEFCW on the draft guidance was the need for further clarity over how this distinction is to be applied in relation to subsidiaries and partnership arrangements, and its consequences. There is currently concern that some provision which is currently treated as franchise/validations would not match the HEFCW guidance on regulated institutions/external providers

respectively. There appears to be a need to clarify this to avoid institutions seeking to review or renegotiate their partnership arrangements unnecessarily.

4.19. As it stands the further advice issued by HEFCW and Welsh Government guidance are still confusing, despite clarifying a number of issues, and do not fully resolve the issues posed by the legislation. Given the current lack of clarity, there is a risk that some institutions will seek to dispute HEFCW's decision based on their own advice on the appropriate interpretation of the Act's provisions.

4.20. According to the Act an external provider is 'a provider who is responsible for providing all or some or part of a course **on behalf of** a regulated institution'.⁸ Beyond this the Act itself is of limited assistance. It only indicates that an external provider is not necessarily an 'institution'.⁹ The Act enables the Welsh Government to make regulations about when a person is or is not to be treated as responsible for providing a course (i.e. is a regulated institution or an external provider) but the Welsh Government has not done so at this stage. The legislation in particular does not explicitly/clearly enable HEFCW to settle the matter and determine the details, which unhelpfully appears to leave room for potential dispute in relation to its guidance/interpretation.

4.21. The Welsh Government guidance clarifies that, in the Welsh Government's interpretation of the Act, a provider can be regulated institution in respect of some courses and an external provider in relation to others at the same time. It also suggests that "where a course is provided on behalf of a regulated institution the regulated institution **normally has overall responsibility for the content and delivery of the course** (including quality assessment arrangements), but the teaching and supervision is provided either in part or in whole by another institution or provider" (para 3.31).

4.22. The Welsh Government guidance interprets the Act to mean that a subsidiary institution can deliver courses on behalf of its parent institution (as an external provider) or provide courses in its own right (accessing automatic student support designation if it successfully applies to become a regulated institution). The Welsh Government guidance suggests that it is for HEFCW to determine which should apply based on an assessment of the evidence on the overall responsibility for the provision. In either case, the subsidiary would have to be a separate legal entity in its own right, as opposed to a branch of a single institution.¹⁰

4.23. HEFCW is required to take this advice into account, but since it is guidance (and not a statutory provision) the definition and application of this distinction remains open to interpretation.

⁸ HE(W)A 2015, s.17(3)

⁹ See HE(W)A 2015, s.51(d), "governing body").

¹⁰ WG Guidance, paras 3.29ff.

4.24. HEFCW's guidance is not clear. HEFCW's draft fee and access plan guidance appears to adopt the Welsh Government's guidance but its wording is not identical. Whether a partner is a regulated institution or external provider "is determined by which institution has **responsibility for the overall content and delivery** of the qualifying courses" (para 27).

4.25. The draft Partnership guidance, however, adopts a different formulation and approach again. It attempts to clarify the responsibilities of regulated institutions and external providers in terms of the current set of definitions of franchise and validation arrangements taken from HEFCE in its advice on institution's responsibilities on partnership arrangements for purposes of data reporting.¹¹ However, as recognised in the partnership guidance, these definitions are based on a broader set of criteria which focus on **control and contractual responsibility for a student**. While the current terms in use *may* fit the new statutory definitions *for most purposes*, they may not *always* be a good fit. This approach also does not appear to be fully consistent with HEFCW's fee and access plan guidance (and Welsh Government's guidance). In advance of a more detailed response to the partnership guidance, we would like to indicate that this needs to be reviewed and the approach clarified.

4.26. Contrary to the indication in the text, the cited definitions in the partnership guidance are not the definitions used by BIS in their guidance on specific designation for alternative providers, however. The BIS guidance is much clearer,¹² and does two helpful things in particular:

- Firstly, it frames its definitions in terms which are compatible with the statutory definition in the 2015 Higher Education (Wales) Act. If a course meets the definition of a Franchised Course set out in its guidance, BIS will deem it is delivered 'on behalf of' the franchising institution and the course will be designated in the name of the franchising institution. If the course meets the definition of a 'validated' course it is considered as being delivered by the teaching organisation and the course will be designated in the name of the teaching institution.
- Secondly, it specifies precise criteria that must be met for the arrangement to qualify as franchised provision for purposes of that legislation, including responsibility for course registration with the SLC, data returns for HESA, and a contractual relationship with the student for delivery of the course (n.b. there may be a variety of contractual relationships between the student and the partner institutions). This approach avoids

¹¹ Partnership Guidance para 20; referring to <http://www.hefce.ac.uk/pubs/year/2015/CL,182015/>

¹² See Partnership Guidance para 20, and compare https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/450090/BIS-15-440-guidance-for-alternative-higher-education-providers.pdf

the need to look at an arrangement on an individual basis and decide on balance of evidence which category fits best, and provides much greater clarity and certainty for all concerned.

4.27. It is also noted that HEFCW currently propose that an applicant is required to provide confirmation that it has undergone a Higher Education Review: Wales (HERW) or equivalent Quality Assurance Agency process for its higher education provision (para. 60). We would welcome HEFCW clarifying how this should be interpreted in the light of current partnership provision. A concern that has been raised with us is that, particularly for this year given the late confirmation of this requirement, this could be an unhelpful barrier which prevents current validation or franchise arrangements from being covered appropriately by fee and access plan arrangements.

4.28. We would recommend:

- HEFCW should clarify the relationship between the Welsh Government's guidance and its own. The Welsh Government has provided advice on what the statutory definition means, but ultimately HEFCW will need to satisfy itself that it is happy to adopt the suggested interpretation as the WG advice clearly goes beyond what is prescribed in the legislation. In our view the Welsh Government's guidance in so far as it proposes a distinction based on 'overall control' is a gloss on the statutory definition which is of marginal utility, and HEFCW may wish to consider incorporating the advice in a different approach (see below).
- HEFCW will need to ensure that there is greater consistency between the partnership guidance and the fee and access plan guidance.
- The guidance should seek to provide the same levels of clarity as achieved in the BIS guidance, which sets out definitions of franchise and validations specifically for purposes of the 2015 Act and specify more precisely what is required to meet these distinctions.

Question 5: Are there issues that HEFCW should consider in relation to the process for exiting the regulatory system, the period of a fee and access plan and the duration of the plan?

4.29. The 2015 Act provides that a fee and access plan must specify the period for which it is to have effect, and that period must not exceed two years. The maximum period of effect can be changed by regulations but, during the passage of the Bill, amendment was made to ensure that there was certainty about this period from the outset.

4.30. We note that it is HEFCW's intention to operate the fee and access plan cycle on an annual basis, (Draft guidance para. 65). This is in line with current fee plan

arrangements.¹³ However, it appears at odds with the Act's provision to allow institutions to move away from a short-term/annual planning cycle.

4.31. We would welcome HEFCW reviewing this arrangement at an early stage to gauge the merits of adopting a two-year period and submission cycle for existing regulated institutions identified as low risk, with appropriate annual monitoring arrangements and separate requirements to notify HEFCW of one-off changes which affect institutional eligibility criteria (as discussed above). This could potentially allow institutions to pursue objectives and targets more strategically and consistently over a longer period of time, and reduce administrative requirements for both institutions and HEFCW in preparing new plans annually. Institutions would, of course, be able to apply to vary a plan at any time.

Question 6: Are the expectations in relation to the levels of fee income and investment in fee and access plans reasonable and proportionate?

4.32. We note that the Welsh Government's guidance to HEFCW indicates the following expectations (para 5.5-5.6, p.27):

- HEFCW will consider specifying a minimum level of investment in their plans
- Institutions' current level of expenditure will form the baseline of future plans
- HEFCW will be robust in expecting more, in terms of financial support and outreach activity for existing regulated institutions with the furthest to go in that respect

4.33. As previously commented, it is ultimately for HEFCW to determine how to take account of this advice. HEFCW indicates in their draft guidance (paras 71ff, p.16) that the former investment requirement (based on 30% of fee income above the basic level) would equate to around 14-17% of total fee income, which should be the reference point for dialogue. HEFCW also indicate that it may increase its investment expectations if an institution does not fully achieve its fee and access plan commitments, does not demonstrate sufficient ambition, and is charging maximum fee levels.

4.34. In principle, we welcome HEFCW's indicated approach. However, we should point out that universities will also see a major reduction in grant funding for 2016/17 and beyond which offsets fee income increases and affects potential investment in full-time undergraduate (as well as other) activities. HEFCW should also take this into account appropriately in terms of its calculation of the comparable baseline and the expected levels of investment.

Question 7: Are there any aspects of section one where more or different information would be helpful, where there are gaps in the information provided, or where information could be clearer?

4.35. A key issue running throughout the guidance is that there needs to be greater clarity about the relationship between HEFCW's guidance and the Welsh Government's guidance. It is ultimately for HEFCW to determine how it takes into account the Welsh Government's

¹³ See HEFCW W15/05HE [here](#).

guidance, and there should be no confusion about which set of guidance applies or when HEFCW is relying on the Welsh Government's guidance in default.

4.36. HEFCW is required to take into account any guidance issued by the Welsh Government. At the same time this means that HEFCW must exercise its own discretion about how it applies that guidance. The Minister's accompany letter expresses the general relationship quite well, and we would suggest the addition of a few lines based on the letter text in the background and context section:

"Section 49 of the 2015 Act 2015 requires HEFCW in exercising its functions in and under the Act to take into account any guidance issued by the Welsh Ministers. This sets out the Welsh Government's expectations for how HEFCW might approach the approval, monitoring and evaluation of institutions' fee and access plans. The guidance is intended to provide clarity about the Welsh Government's policy intentions, what the legislation requires and on the aspects on which HEFCW may wish to focus. It is, however, for HEFCW to determine the operational detail of the new regulatory system in accordance with the new statutory framework, having taken into account the Welsh Government's guidance."

4.37. Institutions will need to ensure that the information provided publically is compliant with consumer laws and the Competition and Markets Authority (CMA) guidelines for higher education. As such we will want to ensure that we are able to fulfil all our publicly stated commitments and, in some cases, we may need to balance our ambitions with caveats about changes to our financial position and associated constraints.

Question 8: Does section one present any unreasonable barriers to potential applicants, which are institutions, from applying for a fee and access plan in 2017/18?

4.38. See our comments in para 4.27 above. Otherwise, we can see none at this stage.

5. Section two: the focus and contents of a fee and access plan

Question 9: Are the strategic and information expectations, as set out in section two, reasonable and/or should HEFCW consider other approaches?

5.1. HEFCW has identified that the fee and access plans will need to focus on indicators that are achievable within one year or include annual milestones to enable progress to be monitored in December following the year from which the plan is in force (para 100). This will mean a greater proportion of indicators must focus on activities and inputs rather than outcomes and longer-term strategic objectives.

5.2. To address this issue HEFCW states that institutions should ensure that commitments are consistent with strategic planning documents (para 85), are embedded at a strategic level across the institution (para 86), and align with strategic equality plans (para 88). It also

specifies that plans should include a rationale for the proposed measures and a critical review of outcomes from previous plans (para 89).

- 5.3. We agree with this approach in principle and that it is important for fee plan commitments form part of a strategic approach and are reviewed in light of appropriate timescales, which may or may not correspond neatly with the submission and monitoring arrangements for the fee and access plans. We note, however, that at the moment it is not a fee and access plan requirement for institutions to have e.g. Strategic Planning and Engagement documents, or equality plans. Care must be taken not to rely on information requirements currently in place under the 1992 Act arrangements for funding, which may not apply to all regulated institutions. Further consideration should be given to the information requirements for regulated institutions in this regard.

Question 10: Is the guidance sufficiently clear that student engagement and student partnership working should inform the development of the fee and access plan?

- 5.4. This is clear from the documentation. A particular issue identified in discussion with HEFCW is that institutional sign-off/approval for fee and access plans must take place during the summer vacation in July/August, i.e. following between the end of one academic year and the start of the next. Institutions will need to work through the practical difficulties of this in relation to both governing bodies and student representation.

Question 11: Are there any unintended consequences of, or negative impacts on, groups under-represented in higher education, in section two, including groups with protected characteristics? If so, please provide information and evidence to support your views?

- 5.5. We agree with the approach proposed by HEFCW.

Question 12: Is the guidance on measures and targets helpful and are there any related issues that HEFCW should consider in developing the final guidance?

- 5.6. See above (Question 9) for comments on the strategic approach.

Question 13: Are there any aspects of section two where more or different information would be helpful, where there are gaps in the information provided, or where information could be clearer?

- 5.7. See in particular our comments on the student number and location information.

6. Section three: HEFCW's fee and access plan processes

Question 14: Are there any aspects of the approval and rejection processes where more or different information would be helpful, where there are gaps in the information provided, or where information could be clearer?

- 6.1. We commented in relation to the Bill that the processes and procedures prescribed in legislation are overly complex/heavy. At this stage, HEFCW's guidance appears to be reasonably successful in presenting the complexities of procedures, and setting out the timetables for implementation.
- 6.2. We recommend that HEFCW harmonises its terms and conditions of grant with proposed regulatory arrangements and makes them a term and condition of grant wherever appropriate to ensure that HEFCW can continue to exercise its more flexible powers under the 1992 Act where preferable to do so. Particular care should be taken in this respect in reviewing the content of the Memorandum of Assurance and Accountability in development of the Financial Code.

Question 15: Are HEFCW's criteria for the assessment of fee and access plans reasonable?

- 6.3. As commented on in response to the Welsh Government's consultations, the current legislation is not very clear about the difference between the statutory criteria for assessment of a plan, matters that HEFCW must (or may) take into account, and simple informational requirements. The institutional eligibility requirements (that the provider is an institution that provides HE in Wales and is a charity) are the only explicit criteria in the 2015 Act for approval of a plan and for continuation as a regulated institution (if these are no longer met HEFCW must withdraw approval of the plan). Financial viability, quality assurance arrangements, and fee and access plan commitments, on the other hand, are matters which the 2015 Regulations prescribe that HEFCW must take into account in approving or rejecting a plan. They are also continuing requirements in the sense that breach of requirements in the Act may be addressed by HEFCW through various regulatory actions which could in certain circumstances (but not automatically) lead to HEFCW's refusing to approve or withdrawing approval for a fee and access plan.
- 6.4. Given this ambiguity, we favour an approach which focuses on ensuring that applicant institutions evidence their ability to meet the continuing requirements in the Act for financial viability, quality of education, and fee and access plan commitments, rather than attempting to establish separate entry requirements in this respect. Not only is this approach likely to be less open to challenge, it will also ensure there is consistency in treatment for initial approval and refusal to approve/withdrawal of approval of fee and access plan.
- 6.5. The information requirements and criteria proposed by HEFCW appear to be reasonable, and we recognise that there will be information requirements that are especially relevant for new applicants.
- 6.6. However, we recommend that the guidance explicitly requires institutions to provide evidence of their ability to meet the requirements set out in more detail in the Code, and quality assurance arrangements as detailed in separate guidance. HEFCW should ask

applicants to identify any areas where particular arrangements may need to be approved in order to comply with the Code or quality arrangements (see for instance our comments above on the current audit requirements in relation to committees, for instance), so that agreement can be reached before approval.

6.7. We would expect the detail of the financial requirements to be reviewed as part of the development of the Financial Code for consistency. For the moment, we note that HEFCW require information not only on viability but on sustainability. In so far as there is a distinction, we agree that HEFCW should not focus on short term financial viability alone, and should make sure that institutions are likely to viable over a period that provides adequate protection for students and safeguards the reputation of the sector.

Question 16: Is there any advice or information that would inform HEFCW's impact assessment of the fee and access plan guidance?

6.8. We have no particular concerns with the approach proposed by HEFCW at this stage.

Universities Wales

14 March 2016