

Procedures for assessing the quality of education

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Noddir gan
Lywodraeth Cymru
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Introduction

1. This document provides an overview of how HEFCW fulfils its statutory duties relating to the quality of education. It also clarifies actions we will take to mitigate any risks we have identified. It aims to ensure that the interests of students, the provider and the wider higher education (HE) sector in Wales are protected.
2. These procedures apply to regulated institutions from 1 August 2019 until further notice.

HEFCW's statutory responsibilities

3. Most national systems have to achieve a balance between regulatory / governmental priorities and the work of the relevant quality assurance agency. HEFCW is not an external quality assurance agency: we are a regulator, and our responsibilities in relation to quality assessment under the [Higher Education \(Wales\) Act 2015](#) ('the 2015 Act') may require us to take regulatory action. This gives us legal obligations in relation to quality assessment. Wales is also unique in UK higher education in having regulatory responsibilities regarding provision which is likely to become inadequate.
4. Under section 17 of the 2015 Act, HEFCW is required to assess, or make arrangements for the assessment of, the quality of education provided in Wales by, or on behalf of, each regulated institution. This relates to all provision of regulated institutions, including non-HE provision.
5. The quality of education or of a course of education, under the terms of section 18 of the 2015 Act, is defined as inadequate if it is not adequate to meet the reasonable needs of those receiving the education or undertaking the course.
6. The 2015 Act also required HEFCW to establish a Committee to advise HEFCW on the exercise of our functions in relation to Quality Assessment (HEFCW's Quality Assessment Committee (QAC)). QAC includes a member from the National Union of Students Wales, Members of HEFCW's Council, and members who have experience of provision of higher education. The Committee plays a key role in advising Council on risks to the quality of education.
7. Section 20 of the 2015 Act empowers HEFCW to give advice or assistance to institutions with the aim of improving the quality of the education, or preventing the quality from becoming inadequate. This could include seeking advice from QAC, and commissioning external expertise (eg Quality Assessment Agency (QAA), consultants, National Union of Students Wales (NUSW)), as appropriate. It also empowers HEFCW to carry out, or arrange for another person to carry out, a review of any matters that they think are relevant to the quality of education provided by or on behalf of the institution. Section 19 of the 2015 Act empowers HEFCW to give a direction to an institution to improve

the quality of education, or prevent the quality from becoming inadequate. HEFCW would normally give advice or assistance to an institution prior to issuing a direction.

8. HEFCW has a duty under the 2015 Act to produce a statement in respect of its intervention functions. Our [Statement of Intervention](#) was published as part of Circular W16/37HE. It provides a public and transparent framework within which HEFCW will operate its full range of intervention powers in relation to student fees, the quality of education, and institutions' financial management. Following an assessment which concludes that the quality of education is inadequate or likely to become inadequate, then we may exercise our powers of intervention as set out in our Statement of Intervention. A complaints process is built into the Statement and HEFCW is committed, as outlined in paragraph 12 of the Statement of Intervention, always to act in a reasonable and proportionate manner.
9. Our statutory responsibilities under part 3 of the 2015 Act require us to assess, or make arrangements for the assessment of, the quality of education in order to determine both the adequacy (or inadequacy) *and* the likelihood of the quality of provision becoming inadequate. These are distinct considerations, with the former being based on an assessment of current arrangements whilst the latter is based on an assessment of future risk. Different factors will inform each and, accordingly, different arrangements are required for each, as outlined below.
10. **Annex A** illustrates how HEFCW assesses the risk to the quality of education, and how this interlinks with the assessment of quality, and the range of interventions we may put in place.

Assessment of the current quality arrangements

11. HEFCW's [Quality Assessment Framework for Wales \(QAF\)](#) sets out the mechanisms through which HEFCW assures itself that the quality of education meets the needs of those receiving it. In addressing HEFCW's statutory responsibilities for quality we use the European Standards and Guidelines as a key reference point.
12. Under the QAF, regulated institutions are required to commission an [external quality assurance review](#) by an organisation on the [European Quality Assurance Register](#) for Higher Education (EQAR) at least every six years, in line with European Standards and Guidelines¹. This meets our statutory responsibilities under the 2015 Act in assessing whether the quality of provision is adequate, or inadequate and is central to our approach to gain assurance regarding the quality of education. The requirements for this review, including judgement categories and outcomes, are set out by HEFCW². We consult on any substantive changes to the requirements for the method.

¹ https://engq.eu/wp-content/uploads/2015/11/ESG_2015.pdf

² Circular W17/08HE, [Annex A](#).

13. Universities in Wales have agreed with the QAA to commission Quality Enhancement Reviews from the QAA for a six year period. The process is carried out by peer reviewers, who are staff and students from other providers. A report on the judgements and findings is published after the review. The judgements and possible outcomes from the review method are currently as follows:

Judgements	Outcomes
European Standards and Guidelines for internal quality assurance	Meets requirements Meets requirements with conditions
Baseline regulatory requirements for the QAF	Does not meet requirements

14. Institutions that are not already regulated by HEFCW, but wish to become regulated, need to have successfully undertaken two consecutive QAA quality assurance reviews, the most recent of which needs to be a Gateway review, to enable them to meet the quality assurance requirements for a fee and access plan application.
15. A condition of funding for institutions which are funded but not regulated by HEFCW, is that they comply with HEFCW's quality assessment processes as set out for regulated institutions in accordance with the 2015 Act.
16. HEFCW has established a Memorandum of Understanding with Estyn, which inspects the majority of the non-HE provision of regulated further education institutions. HEFCW liaises with Estyn to ensure appropriate coverage of the full range of provision covered by the statutory responsibilities of both organisations, minimise burden on regulated institutions, and share information regarding the provision of education in regulated institutions.

External Quality Assurance Review outcomes

17. In every case, a regulated institution receiving a 'does not meet' outcome (in either (or both) judgement(s)) will be deemed to have quality that is, or is likely to become, inadequate. This is because any requirement and/or standard that is not met will present serious risk, with limited controls in place to mitigate the risk. This does not mean that the risk has been actualised. Such institutions are able to undertake remedial actions, which would allow their review outcomes to be revised. Any amendment to the judgement would need to be carried out within one year of the date of the original review. Otherwise the original judgement will stand for the remainder of the review period, which may result in an institution not having its Fee and Access Plan approved.
18. Institutions receiving a single judgement of 'meets requirements with conditions' are not deemed to be at immediate risk in terms of quality of education. However, some moderate risks may exist that, without action, could lead to serious problems over time with the management of this area. HEFCW will be keen to maintain a watchful eye to ensure that the conditions attached to such judgements are achieved, as confirmed by the external body, as

failure to achieve these is likely to result in an institution being considered to be at risk of provision that is likely to become inadequate.

19. An institution receiving judgements of 'meets requirements' in both judgement areas is not deemed to be at risk in terms of the quality of education.
20. The initial judgement will normally be formally communicated to the senior accountable officer by the organisation carrying out the review. We expect any review outcome of 'meets requirements with conditions' or 'does not meet' to be discussed by the Governing Body at the first available opportunity. It should be the aim of all stakeholders to ensure prompt and appropriate action is taken to rectify the identified problems and an action plan is prepared to enable this.
21. A published action plan must be prepared jointly by the institution and student representatives in response to judgements of 'meets requirements with conditions' or 'does not meet requirements.' The plan must be agreed with the agency carrying out the review. The institution must liaise with the reviewing agency to obtain verification that actions taken in response to review outcomes have rectified any deficiencies within the agreed timescale, and therefore enable the judgement outcome to be revised.
22. The primary responsibility for drawing up the action plan rests with the regulated institution and we will encourage the institution to use other available sources of support and expertise where appropriate. The institution should do this in partnership with the student body, as required via the Governing Body annual assurance statements on quality assurance. The organisation carrying out the review will follow up with the regulated institution and will formally sign off the review when satisfied that the action plan has been implemented successfully, within a maximum of 12 months. The nature, scope and timing of the follow-up are determined in accordance with the principle of proportionality, and through dialogue between the regulated institution, the organisation carrying out the follow-up and HEFCW, and will normally focus on issues identified in the review. The subsequent external quality assurance review will take place sooner than the normal six year cycle, as outlined in our published arrangements for [external quality assurance review](#).
23. We expect regulated institutions which deliver HE with other awarding bodies to involve the awarding partner(s) where one or more judgements are made of 'meets requirements with conditions' or 'does not meet requirements.' Regulated institutions should involve their external providers/ collaborative partners if necessary, to ensure that there is no risk to quality of education of other partners.

Outcomes of other reviews/ inspections

24. Professional, Statutory and Regulatory Bodies (PSRBs) accredit specific courses. They may also review/inspect provision at designated providers, and will maintain their own definitions of quality. In addition, Her Majesty's Inspectorate for Education and Training in Wales (Estyn)³ has statutory

³ www.estyn.gov.wales

responsibility for inspecting Initial Teacher Education provision, Further Education (FE) in HE, and Further Education Institutions which may also be offering higher education provision.

25. Estyn makes judgements of 'excellent', 'good', 'adequate', and 'unsatisfactory'. We will treat the outcomes of 'excellent' and 'good' as being equivalent to 'meets requirements' for external quality assurance review. We will treat a judgement of 'adequate' in one or more areas as being equivalent to 'meets requirements with conditions,' and a judgement of 'unsatisfactory' as equivalent to 'does not meet requirements'. As with the external quality assurance review process, institutions have the opportunity to remedy any issues identified. The findings will contribute to HEFCW's decisions regarding whether or not to approve Fee and Access Plans.

Role of QAC

26. The QAC advises Council on progress against the outcomes of reviews, and any associated risks to the quality of education. This includes the outcomes of Estyn inspections of non-HE provision of regulated institutions. Its advice will include consideration of:
- The outcomes of HEFCW's annual IRR process;
 - Annual assurance statements from the Governing Body
 - Fee and Access Plans;
 - Concerns raised regarding standards and quality; and
 - HEFCW's other engagements with institutions.
- These will be considered in the context of the institution's own quality assurance processes.
27. Action taken by HEFCW is detailed in the section on 'intervention' below.

Assessment of future risk to the quality of education

28. The risk to quality of provision is considered via our established institutional risk review (IRR) process, as detailed in circular [W09/20HE](#). The IRR takes a risk-based approach to institutional assurance reviews, in which we focus on assurance of the robustness of institutions' own risk management, control and governance processes and on evidence of appropriate responses by institutions to issues raised by those processes. We are clear that the primary responsibility for the provision of this information rests with the institutions and our main concern should be to seek assurance that appropriate arrangements are in place in institutions. The IRR process considers regulated institutions under the following six areas:
- Sustainability
 - Students and quality
 - Strategic direction
 - Research and knowledge transfer
 - Governance and management
 - Estates.
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29. 'Students and quality' incorporates issues including range of provision, recruitment, retention and progression, institutional forecasts, data and trends and widening access performance. Evidence used to inform the assessment of risk includes UCAS data, HESA data, performance against sector targets, performance against UK Performance Indicators, financial information, outcome of reviews or inspections, and annual data from the Office of the Independent Adjudicator. The outcomes of any external quality assurance review, including by bodies such as Estyn, will be considered at the following IRR meeting.
30. The wider range of factors that may result in a risk to the quality of education will primarily be addressed under IRR categories including sustainability, strategic direction, and governance and management. Where we identify that there is a risk to the quality of education, we apply our IRR process to evaluate the likelihood of this risk being actualised.
31. If the outcome of the IRR process gives rise to concerns which could be considered as part of an external quality assurance review, this might result in an institution being required to commission a full or partial external quality assurance review of provision, potentially earlier than would have been anticipated within the cyclical approach⁴. For example, HEFCW's external quality assurance review requirements set out that we will operate a risk-based approach to whether any significant changes to provision should require an earlier full or partial review. QAC advises HEFCW on whether the potential risk from developments such as institutional mergers, unplanned trends in recruitment, and development of new campuses should trigger such a review. This is in order to meet the quality assurance requirements of fee and access plans, as set out in our guidance on external quality assurance reviews.
32. We may also chose to commission an external body to undertake assessment where our assessment of risk to the quality of education arises from factors which are not included in the external quality assurance review, for example in relation to National Student Survey (NSS) results. External bodies, including those which are not ENQA accredited (e.g. Estyn, which inspects ITE or PSRBs), may be commissioned for this purpose.
33. HEFCW has a process for investigating complaints about institutions, including concerns about standards and quality⁵, which may also trigger an external review to assess the quality of education.
34. HEFCW will take into account the following factors to determine whether there is a risk of the quality of education becoming inadequate, following consideration by, and advice from, QAC.

⁴ as noted in circular [W17/08HE](#) Annex A

⁵www.hefcw.ac.uk/working_with_he_providers/institutional_assurance/complaints_about_institutions.aspx

A. Trends in data

35. Declining performance in relation to a range of outcomes can indicate a risk to the quality of education. This includes, but is not limited to, the following:
- Over/under-recruitment patterns;
 - Non-progression rates;
 - Non-completion rates;
 - Outcomes of student surveys;
 - Degree outcomes, including differential outcomes for students with different characteristics;
 - Employment outcomes;
 - [HEFCW National Measures](#) for the performance of higher education providers;
 - Institutional financial sustainability;
 - Significant cost reduction.
36. Some (but not all) of this data is benchmarked on a UK-wide basis. HEFCW may intervene where outcomes are statistically significantly below the benchmark, or where a declining trend indicates that there is a risk that the quality of education may become inadequate.
37. HEFCW's QAC advises on risks to the quality of education, including through regular consideration of trends in data and performance against benchmarks, in order to inform HEFCW's annual IRR process, as described above. This will include use of data dashboards, to enable trends across a range of data to be evaluated. The [Fee and Access Plan](#) (F&AP) process also includes consideration of trends of performance.
38. Adverse trends revealed by data are likely to result in a conversation between HEFCW and the institution, in order to enable the data trends to be better understood. HEFCW will normally do this where data is statistically below benchmark over two or more years. However, HEFCW may also seek a conversation where there is a trend of declining performance, even where this is not yet statistically significant. In doing this, HEFCW will consider the impact of changes within small data cohorts.

B. Intelligence from other processes and engagements, including complaints

39. Intelligence from other processes and engagements can inform HEFCW's view regarding whether there is a risk to the quality of education, including non-HE provision. This includes intelligence from other processes such as:
- Outcomes of PSRB engagements with institutions, where we think it is likely that adverse findings may impact on higher education provision more generally, or where a failure to improve has been identified following such engagements;
 - Complaints about quality and standards made to HEFCW⁶;

⁶ Normally these will be complaints which have been upheld. However, there may be cases where there is insufficient evidence, or the areas of complaint do not fall directly within our remit under the HE Act, but it is still appropriate for HEFCW to undertake informal liaison with the institution in relation to issues raised.

- Complaints or concerns raised with, and upheld by, other organisations, such as the Office of the Independent Adjudicator (OIA), the Charities Commission, Home Office, etc;
 - Information relating to the Teaching Excellence and Student Outcomes Framework (TEF);
 - Outcomes of engagements with Awarding Bodies (where applicable);
 - Triennial quality assurance visits;
 - Annual assurance statements from the governing body on quality (including reporting on the dialogue between an institution and its student union); and
 - Liaison with other organisations as appropriate, e.g. QAA, NUSW, Estyn, Competition and Markets Authority (CMA), Home Office, etc.
40. In addition, any complaints to HEFCW regarding quality and standards, or to other bodies with statutory responsibilities in specific areas, can lead to an assessment that there is a risk to the quality of education. This could lead to a requirement that an institution should commission a full or partial external quality assurance review.
41. HEFCW may liaise with external agencies or bodies which have a role in undertaking investigations relevant to their remit (e.g. OIA or CMA). HEFCW may await the outcome of any ongoing investigations and processes before considering actions prior to exercising our powers of intervention as set out in our Statement of Intervention.

Interventions

42. As outlined in paragraphs 7 and 8 above, the 2015 Act provides for a range of statutory interventions, the exercise of which is governed by our Statement of Intervention. In cases both of inadequate quality, and where we have identified that quality is likely to become inadequate, we will expect the institution to take account of our advice to address the issues. The statement of intervention sets out that we will generally seek to consult with the governing body of an institution, prior to giving advice or assistance. As noted in our Statement of Intervention, we will seek to avoid unnecessarily duplicating the actions of other regulatory organisations.
43. Our advice or assistance may include some or all of the action set out below. This could be in response to a failure of the institution to deal with the issues arising. The additional actions may be undertaken rapidly, in order to try to address issues arising before it is necessary to exercise our powers of intervention. HEFCW's actions will always be proportionate to the scale of the provision impacted.

Monitoring

44. HEFCW may monitor outcomes and trends where there is a potential risk to the quality of education (e.g. monitoring NSS outcomes).

Action plans

45. We may ask an institution to develop an action plan, or to take account of an external body's requirement to develop an action plan (eg as a consequence of external quality assurance review outcomes), in partnership with the student body, to address risks to the quality of education, where there is not already such a plan in place (e.g. in response to review outcomes). This would normally need to be completed within 12 months.

Commissioning an external review

46. As indicated in paragraph 31 above, where appropriate, we might require the institution to commission an external quality assurance review, or other review, in order to meet the quality assurance requirements of fee and access plans.

Good practice

47. HEFCW may encourage institutions to engage with developments relating to policy and/or enhancement, including working with sector agencies in order to benefit from good practice elsewhere.
48. If the actions detailed above are unsuccessful, we may proceed to issuing a warning notice, setting out the Direction we propose to issue to the institution. Any directions issued will be published on our website, as described in the Statement of Intervention.
49. HEFCW's Chief Executive has delegated authority to approve decisions at each stage in the Intervention Process in Respect of Inadequate Quality. HEFCW's Council has ultimate responsibility for agreeing to proceed to the injunction stage of the Intervention Process in Respect of Inadequate Quality⁷. Council's decision will be informed by advice from HEFCW's statutory QAC.

Students

50. Students are integral partners in this procedure, as with all of HEFCW's work. NUSW is represented on QAC, which advises on action to be taken by HEFCW in response to risks to the quality of education, and we will work closely with NUSW and/or the student representative body as appropriate, to mitigate any impact on the student body.

Next steps

51. We will keep these processes under review with our QAC, and will consult on any changes proposed in accordance with the 2015 Act. This will include quality of non-HE provision delivered by or on behalf of regulated institutions.

⁷ As set out in [HEFCW's Scheme of Delegation](#)

Quality Assurance

Risk Assessment

Risk
Quality
Statutory

