

HEFCW Annual Regulatory Report

2020/21



Noddir gan
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Foreword

I am pleased to present our Annual Regulatory Report, which sets out how we discharged our regulatory functions, during the 2020/21 academic year.

The report has been approved by our Council following scrutiny from our Audit and Risk Assurance Committee, our Quality Assurance Committee and our Regulation Committee. Regulatory functions that we have discharged since 31 July 2021 will be detailed in future reports. Our regulatory powers are specific and limited to certain aspects of regulated institutions' activity; we are able to intervene therefore only in matters that fall within the scope of our regulatory functions. As we deliver on our formal regulatory functions, we continue to work in partnership with the sector to improve practice.

This report covers the first full academic year to be impacted by the Coronavirus (Covid-19) pandemic. Regulated institutions, like all other organisations, continued to be affected by the pandemic and we have maintained the streamlining of our regulatory processes, that we put in place in 2019/20, during 2020/21. This was done to enable institutions to focus on their students, staff and communities. This decision was not taken lightly and was arrived at after seeking advice from our Committees and involving partners in our decision making process, particularly the Welsh Government, NUS Wales and the institutions themselves. Whilst we temporarily amended our formal regulatory approaches to meet exceptional circumstances, we have maintained close contact with our regulated institutions to secure the necessary regulatory assurances and, especially, ensure we have up to date understanding of the position of the institutions.

During the pandemic, there have been some incidences of student concerns with fees levels that have been well publicised but will not be reflected in this report, because they either do not directly relate to our regulatory duties or they could still be in the process of going through established channels for concerns and complaints to be raised. Should higher education students not be satisfied with the outcomes from institutional channels then they are able to refer them to the Office for the Independent Adjudicator for Higher Education. It is not appropriate for us to pre-empt the outcomes from those established channels and we may get involved, in relevant cases, only after those processes have been completed. Where systematic issues have been identified we will engage with institutions but it may not always be in a regulatory context so they will not fall within scope of this or future reports.

Our report is submitted as the Tertiary Education and Research (Wales) Bill progresses through the Senedd. We have supported the establishment of a new arms-length body to oversee a cohesive and integrated post-compulsory system since it was proposed by Professor Ellen Hazelkorn in 2016. We will continue to work with Welsh Government to realise that ambition by establishing the Commission for Tertiary Education and Research. At the same time we will ensure that we continue to discharge our regulatory functions to protect the interests of students and the public investment in higher education.



Rob Humphreys
Chair

Section 1 – Introduction

- 1.1 The Higher Education (Wales) Act 2015 (the 2015 Act) gained royal assent on 12 March 2015, enhancing the Higher Education Funding Council for Wales's (HEFCW) role as a regulator. The 2015 Act, supported by six sets of regulations, gradually came into force during a transitional period, which ended with the Act fully coming into force on 1 August 2017.
- 1.2 The 2015 Act sets out specific duties for HEFCW in the following areas:
- Student fee limits,
 - Improving equality of opportunity and promoting higher education,
 - Quality of education,
 - Financial affairs.
- 1.3 Institutions regulated under the Act must comply with HEFCW's directions in these areas. Institutional autonomy is made explicit in the Act and HEFCW's duties and powers of intervention are limited to only those areas set out in the Act, as set out in the paragraph above.
- 1.4 HEFCW's powers under the Further and Higher Education Act 1992 are not within the scope of this report.
- 1.5 One of the expectations on HEFCW is that it provides Welsh Ministers with an annual report on how it has exercised its functions by virtue of the Act at the end of each reporting period. This is the fourth report that we have submitted under this requirement and will cover the reporting period from 1 August 2020 to 31 July 2021. Functions that have been exercised after 31 July 2021, but relate to previous Fee and Access Plans, will be included in later reports.
- 1.6 Our report is set out in line with guidance issued by Welsh Ministers. Expectations set out in the guidance are that the annual report will include:
- An explanation of how HEFCW has discharged its functions under:
 - a) Section 7 – approval of Fee and Access Plans,
 - b) Section 15 – monitoring and evaluating compliance and effectiveness of Fee and Access Plans,
 - c) Section 17 – assessment of the quality of education provided by or on behalf of regulated institutions, and
 - d) Section 31 – monitoring compliance with the Financial Management Code.
 - The outcomes of the activities undertaken by HEFCW in discharging the functions listed above. This should include a summary of:
 - a) Fee and Access plan applications, approvals and rejections,
 - b) The regulated sector's compliance with fee limits and the general requirements of approved Fee and Access Plans,
 - c) Quality assessment reviews undertaken and the outcomes of those reviews, and
 - d) The regulated sector's compliance with the Code.
 - Details of any failures by regulated institutions to comply with the requirements of the regulatory system and instances where HEFCW has used its intervention functions under:
 - a) Section 11 – compliance and reimbursement directions,

- b) Section 13 – directions in respect of a failure to comply with the general requirements of an approved Fee and Access plan,
 - c) Section 19 – directions in respect of inadequate quality,
 - d) Section 20 – other measures in respect of inadequate quality,
 - e) Section 33 – directions in respect of a failure to comply with the Code,
 - f) Section 34 – other measures in respect of failure to comply with the Code,
 - g) Section 37 – notice of refusal to approve a new Fee and Access Plan,
 - h) Section 38 – HEFCW’s duty to withdraw approval of a Fee and Access Plan if a regulated institution no longer satisfies the requirement of section 2(3)¹, and
 - i) Section 39 – HEFCW’s power to withdraw approval of an approved Fee and Access Plan.
- Details of the actions HEFCW has taken to resolve the regulatory failure in question and the progress made by the regulated institution in taking the necessary action; and
 - An assurance statement which includes an overview of the regulated sector’s compliance with the regulatory system laid down by the 2015 Act and highlights any areas of concern or risk.

1.7 This report has been structured into three main chapters to report against those areas Welsh Ministers expect to be covered: Fee and Access Plans, quality of education and financial affairs. There is also an Assurance Statement on our compliance with the regulatory system.

1.8 Throughout this report we will confirm whether there have been any failures by regulated institutions to comply with the regulatory system. We have taken three broad approaches to identify whether there have been compliance failures. These approaches are:

- Self-reporting by regulated institutions whether on an ad-hoc basis or through planned reporting cycles,
- Complaints received through HEFCW’s [complaints system](#) established to enhance its regulatory role, and
- HEFCW monitoring including formally through engagement with regulated institutions, discussions with other external bodies or monitoring data systems.

These approaches will be explained where relevant and as necessary throughout the report.

1.9 This report is submitted in the context of the Covid-19 pandemic, which has had a significant impact on higher education. As outlined in the previous Annual Regulatory Report, we [had amended our regulatory processes](#) to support institutions to respond to the pandemic and support their students. As result of this ongoing amended approach to our regulatory processes, we have sought other ways to gain assurance that institutions continue to meet their regulatory expectations. We have reviewed our regulatory processes judiciously and with due process, including discussions with Council, relevant Committees, Welsh Government, regulated institutions and other key stakeholders such as NUS Wales, and have taken the decision to continue to streamline our regulatory processes.

¹ Section 2 (3) of the Higher Education (Wales) Act 2015 sets out that a fee and access plan applicant must be an institution in Wales that provides higher education and is a charity.

- 1.10 We recognise that as a result of changes to learning and teaching arrangements made by regulated institutions in response to the Covid-19 pandemic, some students have raised concerns regarding the value of their tuition fee investment. Concerns of this nature do not fall within the scope of our powers for regulating fee levels in Wales. Where we have systemic concerns with the quality of education or the broader student experience we engage with institutions directly and use our regulatory powers where necessary. We also have a complaints process where students can raise such matters of concern. In order for us to pursue matters raised through our complaints process, we require evidence that the relevant regulated institution's processes have been exhausted and that matters of relevance have been taken up with the Office for the Independent Adjudicator for Higher Education. These processes can take time before they are exhausted. Subsequently neither this report nor reports in the future may address matters of concern relating to value for money or broader concerns with the student experience. However, we assure the public that where we identify matters of concern we engage with institutions and use the range of powers we have available to us.

Section 2 – Fee and Access Plans

2.1 Introduction

2.1.1 All institutions in Wales that wish to be regulated by HEFCW are required to have Fee and Access Plans approved by HEFCW. Becoming regulated enables qualifying students studying full-time undergraduate and PGCE QTS (Qualified Teaching Status) courses at that institution to access Welsh student support. Fee and Access Plans set out institutions' fee levels for full-time undergraduate and PGCE QTS provision for the academic year to which the plan relates and commitments to improving equality of opportunity and promoting higher education. On submission of a Fee and Access plan, an institution must demonstrate that it meets the regulatory requirements associated with a regulated institution, those being that they:

- are an institution,
- are wholly or mainly in Wales,
- provide higher education,
- are a charity,
- are financially viable,
- are financially well managed, and
- provide quality education.

2.1.2. This section of the report sets out how HEFCW has discharged its functions in relation to Fee and Access Plans up until 31 July 2021 including:

- Developing its processes for Fee and Access Plans prior to the reporting period,
- Approving or rejecting Fee and Access Plans,
- Ensuring compliance with applicable fee limits, and
- Monitoring compliance with, and evaluating the effectiveness of, Fee and Access Plans.

2.1.2 As referred to, in the introduction, we have amended our regulatory processes, including those related to Fee and Access Planning. This is reflected in our reporting below.

2.2 Discharging of functions in the reporting period (2020/21)

2.2.1 This section of the report sets out how we discharged all of our functions relating to Fee and Access Plans. This includes approvals to Fee and Access Plans, as well as ensuring compliance with the fee levels and the general requirements of Fee and Access Plans

Monitoring and Evaluation of Fee and Access Plans 2019/20

2.2.2 We are assured that all regulated institutions have taken all reasonable steps to comply with the general requirements of their respective 2019/20 Fee and Access Plans.

2.2.3 In making this assessment, we have gained assurances from the governing body of each regulated institution, reviewed institutional complaints to HEFCW and analysed relevant data including those held by the Higher Education Statistics Agency (HESA).

Areas for improvement

- 2.2.4 Given the acute impact of Covid-19 on regulated institutions, we did not require our annual evaluation returns during 2020/21. It was agreed by our Council, with advice from our Regulation Committee that it was not reasonable or possible for all activity, much of it in person, to be delivered. Curtailed delivery impacted on investment planned in 2019/20. It was recognised that institutions should focus on supporting students and staff at this time.

Variation to 2021/22 Fee and Access Plans

- 2.2.5 Following the approval of the 2021/22 Fee and Access Plan applications, against pre-defined criteria and requirements, in May 2020, we requested institutions submit a varied 2021/22 Fee and Access Plan in March 2021. As noted in our previous report as part of our amendments to regulatory processes in response to the Covid-19 pandemic, the 2021/22 Fee and Access Plans were approved on the basis that they either specified or determined the fee levels to be charged in 2021/22. It was agreed by our Council, following advice from our Regulation Committee that variations needed to provide further regulatory commitments ahead of the 2021/22 academic year. The variations addressed feedback following assessment, scrutinised by our Regulation Committee, of the initial submissions in the following areas of our Fee and Access Plan assessment:
- Fee levels
 - Student partnership
 - Under-represented groups supported
 - Objectives to improve equality of opportunity and promote higher education

The variations were subsequently approved by the Council and the amended Plans published on institutions' web pages by August 2021. In submitting the varied Plans, all institutions committed to taking all reasonable steps to investing the same proportion of full-time undergraduate fee income to improve equality of opportunity.

Approval of 2022/23 Fee and Access Plans

- 2.2.6 We received ten applications for Fee and Access Plans for the 2022/23 academic year during 2020/21. These were received from the eight universities and two further education colleges that have been regulated since the implementation of the 2015 Act.
- 2.2.7 The 2022/23 Fee and Access Plan applications were approved by the Council against pre-defined criteria and requirements, as recommended by our Regulation Committee, in July 2021. As part of our amendments to regulatory processes in response to the Covid-19 pandemic, the Plans were approved on the basis that they either specified or determined the fee levels to be charged in 2022/23, identified the under-represented groups to be supported, articulated how student partnerships was embedded in their institution and set objectives to improve equality of opportunity and promote higher education. We were assured, through the submission of the Plans and our ongoing engagement with institutions that satisfactory governance processes were in place as well as student partnership arrangements.

Compliance with fee levels

- 2.2.8 Regulated institutions can only charge fee levels for full-time undergraduate and PGCE QTS provision as set out in Fee and Access Plans approved by HEFCW. Once Fee and Access Plans have been approved we share the details of approved fee levels with the Student Loans Company. Fee levels vary.
- 2.2.9 We have monitored fee levels for full-time undergraduate and PGCE QTS provision set out in 2020/21 Fee and Access Plans through the analysis of Student Loans Company and Higher Education Statistics Agency data, any complaints received and discussions with regulated institutions.

2.3 Outcomes of activities in discharging functions

- 2.3.1 This sub-section of the report sets out the outcomes of having discharged our regulatory functions as they relate to Fee and Access Plans. This section covers the outcomes of approving Fee and Access Plans and our monitoring of compliance with fee levels and the general requirements of Fee and Access Plans.

Outcomes of approving Fee and Access Plans

- 2.3.2 All approved Fee and Access Plans have included groups identified as under-represented in higher education. Institutions' identify different groups as under-represented according to their mission and purpose and the groups listed below are indicative of the groups that will be supported by the equality of opportunity investment committed to in Fee and Access Plans:
- people of all ages living in the bottom two quintiles of Lower Super Output Areas of the Welsh Index of Multiple Deprivation,
 - people of all ages from UK low participation neighbourhoods,
 - care experienced young people,
 - people of all ages with caring responsibilities,
 - people of all ages with [protected characteristics](#),
 - people of all ages from low income backgrounds, and
 - people of all ages wishing to study Welsh medium higher education.

Outcomes of monitoring compliance with fee levels

- 2.3.3 As a result of discharging our functions to monitor fee levels charged at regulated institutions, we have not identified any excess full-time undergraduate and PGCE QTS fees charged by regulated institutions during 2020/21.

Outcomes of monitoring compliance with general requirements of Fee and Access Plans

- 2.3.4 We have not identified any instances where a regulated institution has failed to comply with the general requirements of an agreed 2020/21 Fee and Access Plan.
- 2.3.5 In 2020/21, we received no complaints relating to compliance with the general requirements of Fee and Access Plans.

2.4 Failures to comply with the regulatory system and instances of intervention

2.4.1 No regulated institution has failed to comply with the regulatory requirements associated with a Fee and Access Plan. Therefore, there are no instances of interventions to report.

Section 3 – Quality of Education

3.1 Introduction

- 3.1.1 Under 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. The 2015 Act gives HEFCW powers regarding provision which is, or is likely to become, inadequate, with adequacy defined as meeting the reasonable needs of those receiving the education or undertaking the course.
- 3.1.2 HEFCW may issue or approve guidance regarding improving or maintaining the quality of education provided by, or on behalf of, regulated institutions, and about criteria for assessing quality. Prior to issuing or approving such guidance, HEFCW must consult the governing body of each regulated institution and any other persons HEFCW think appropriate. HEFCW was also required to set up a [Quality Assessment Committee](#) (QAC) to advise on its functions regarding quality under the 2015 Act. Our QAC has provided advice to the Council on matters set out in this report as it relates to quality.
- 3.1.3 This section of the report sets out how we have discharged our quality functions during the reporting period, up until 31 July 2020, as well as the outcomes of those functions determining whether regulated institutions have complied with the regulatory system.

3.2 Discharging of functions during the reporting period

- 3.2.1 Under the 2015 Act, HEFCW is required to consult the governing body of each regulated institution, and any other persons they deem appropriate, before issuing or approving guidance in relation to quality.
- 3.2.2 This section sets out how our quality functions have been discharged during the 2019/20 academic year.

External reviews

- 3.2.3 HEFCW's [Quality Assessment Framework April 2020](#) requires regulated institutions to commission an external quality assurance review to address HEFCW's statutory responsibilities to ensure the quality assessment of education provided by and/or on behalf of regulated institutions. This provides the assurance required under the 2015 Act with regards to quality, to enable Fee and Access Plans to be approved, and therefore for regulated institutions to access student support for full-time undergraduate and PGCE courses. The Quality Assurance Agency for Higher Education is currently commissioned by Universities Wales to conduct these reviews.

Triennial visits

- 3.2.4 As part of HEFCW's responsibilities under the Framework, HEFCW conducts a triennial visit to each regulated institution and reports on its findings. This report focuses on the annual quality assurance statements which are signed by the governing body. Each institution visited is provided an opportunity to review the report for accuracy before it is considered by QAC and utilised by HEFCW's Council

as part of its Institutional Visit. The outcomes of reviews fed into other HEFCW processes, including fee and access planning assessment and the annual institutional risk review process.

Complaints

- 3.2.5 We reviewed data on student complaints made about Welsh institutions to the Office of the Independent Adjudicator (OIA) in 2020. QAC was content with the update, and advised that HEFCW should seek assurance on student complaints for one institution funded by HEFCW. The Committee noted that four Welsh HEIs issued Completion of Procedures (CoP) letters which were above the band median. Members were concerned about the rise in the number of complaints which had been received by one Welsh institution.

Quality likely to become inadequate

- 3.2.6 HEFCW has responsibilities under the 2015 Act in relation to provision which is 'likely to become' inadequate. Following the consultation exercise carried out in 2017/18, HEFCW's [Procedures for assessing the quality of education](#) were published in March 2019. No changes to these procedures were made during 2020/21.

Amendments to the Quality Assessment Framework

- 3.2.7 The Quality Assessment Framework for Wales (QAF) provides HEFCW with mechanisms to assure itself that the quality of education, or a course of education, provided by, or on behalf of, regulated institutions meets the needs of those receiving it. The framework was developed to align with the 2015 Act and to take account of regulatory changes. The QAF was updated in 2019/20 to take account of an additional assurance statement for the governing body and was republished in April 2020. No changes were made to the QAF in 2020/21.

3.3 Outcomes of activities in discharging functions

- 3.3.1 This sub-section sets out the outcomes of activities undertaken as a result of discharging our quality functions to assess or make arrangements for the assessment of the quality at regulated institutions.
- 3.3.2 Two reviews of regulated institutions and one funded institution were undertaken by QAA. The outcomes of these reviews were satisfactory. Two gateway reviews were successfully carried out.
- 3.3.3 There were four triennial visits conducted in 2020/21. HEFCW was generally assured by the outcomes. One institution required improvement with regards to the following:
- ensuring that students were involved in responding to issues relating to quality, and
 - strengthening the annual dialogue between the institution and Student Union.
- 3.3.4 HEFCW did not initiate any investigations regarding quality likely to become inadequate in 2020/21. HEFCW was satisfied that any issues previously raised had been addressed and, therefore, provision was not, nor likely to become, inadequate.

3.3.5 In 2020/21, there was one eligible complaint received by HEFCW relating to quality. Preliminary investigations were undertaken with the institution and HEFCW was satisfied with the response provided. The complaint was not progressed any further and QAC was provided with the outcome.

3.4 Failures to comply with the regulatory system and instances of intervention

3.4.1 There were no failures to comply with the regulatory system as it relates to quality and as a result we did not utilise our intervention functions.

Section 4 – Financial Affairs of Regulated Institutions

4.1 Introduction

- 4.1.1 Section 27(1) of the 2015 Act requires that HEFCW prepare and publish a code relating to the organisation and management of the financial affairs of regulated institutions. Section 27(2) states that ‘The Code may make provision about the following matters (among others):
- a) circumstances in which a regulated institution is to enter into a transaction of a class specified in the Code only with the consent of HEFCW,
 - b) accounting and audit arrangements of regulated institutions, and
 - c) the provision of information to HEFCW.’
- 4.1.2 Section 27(4) of the 2015 Act requires that the governing body of a regulated institution must:
- a) comply with any requirement imposed by the Code, and
 - b) take into account any guidance contained in the Code.
- 4.1.3 This section of the report sets out how we monitored compliance with the Code in 2020/21.
- 4.1.4 As referred to in the introduction, we have continued with amended regulatory processes, including those related to the organisation and management of the financial affairs of regulated institutions. This is reflected in our reporting below.

4.2 Discharging of functions in 2020/21

Financial Monitoring

- 4.2.1 We undertook financial monitoring, including the review of each regulated institution’s financial statements and detailed financial forecasts. In the reporting period, financial forecasts were analysed in late summer 2020 and financial statements in early 2021. We undertook regular engagement with finance teams, at least termly. In addition, financial forecast updates were analysed in spring 2021 as part of the 2022/23 Fee and Access Plan application process. HEFCW monitored complaints received under its complaints processes about institutions’ procedures where they have a potential bearing on compliance with the Financial Management Code.
- 4.2.2 We reviewed the borrowing levels of institutions against agreed thresholds and where institutions wished to commit to borrowing in excess of these thresholds we undertook a formal process involving scrutiny of finances and governance processes to determine the appropriateness of proposals.
- 4.2.3 As noted in the previous Annual Regulatory Report, Covid-19 placed all institutions in risk. As such, from March 2020 we undertook engagement with institutions which would reflect the engagement that would be undertaken should a ‘high risk’ risk institutional risk review level have been awarded. This included requests for further specific financial updates and ongoing increased engagement with finance teams.

Institutional Assurance Reviews

- 4.2.4 We undertook institutional assurance reviews in respect of each regulated institution in Wales. The focus of these reviews was on seeking evidence for the robustness of institutions' own risk management, control and governance arrangements. We looked for this evidence, in particular, through the assurances and opinions provided by institutions' own internal and external auditors, and the reports of their Audit Committees. Discussions with key personnel at institutions were a crucial part of our assurance review work. We also met with institutions' internal auditors. During the reporting period, officers carried out two planned formal institutional assurance review visits, with all interviews carried out virtually.

Institutional Risk Reviews

- 4.2.5 Through our Institutional Risk Review (IRR) process we conducted formal, bi-annual risk assessments of regulated institutions. A range of information drawn from the latest data returns and Council and officer engagements with institutions was used to risk-assess each one against six key areas – Governance and Management; Finances; Strategic Direction; Research and Knowledge Transfer; Students and Quality; and Estates. Whilst an overall assessment would normally be made through which each institution is rated as being at 'Low', 'Moderate' or 'High' exposure to risk, as set out in the Covid-19 impact on higher education providers: funding, regulation and reporting implications circular (W20/11HE), the IRR process did not result in ratings or IRR letters being issued to institutions in 2021, due to the pandemic. However, the process was used to capture key areas of information and identify actions for HEFCW officers. Covid-19 placed all institutions in risk, and as such, we undertook engagement with institutions which would reflect those that would be undertaken should a 'high risk' risk review level have been awarded.
- 4.2.6 In addition, the Council has an established series of formal institutional meetings where Council members and officers meet each institution at least once every three years, providing a further opportunity for discussion of strategic matters with governors and senior management. Four regulated institutions were visited in 2020/21.

Financial Management Code

- 4.2.7 The Financial Management Code (the Code) requires HEFCW to keep the Code under review, and if appropriate, prepare and publish a revised Code. The Code was reviewed in 2020/21 and no revisions were identified.

4.3 Outcomes of activities in discharging functions

- 4.3.1 This section sets out the outcomes of our monitoring of compliance with the Code in the reporting period.
- 4.3.2 We were assured that that all institutions complied with the financial requirements set out in the Code. We obtained this assurance via engagement and scrutiny.
- 4.3.3 We undertook review of six borrowing applications from four institutions in 2020/21. All borrowing applications were approved.

4.3.4 As a consequence of Covid-19, we have maintained increased levels of engagement with the Senior Management Teams of all institutions, in order to gain assurance that the risks relating to Covid-19 were being urgently and appropriately addressed. This included regular monthly engagement with Directors of Finance to understand and monitor the delivery of plans to improve financial sustainability, as well as additional cash flow monitoring.

4.3.5 In 2020/21, one complaint was received by HEFCW that alleged issues which represented potential breaches of the Code at one institution. Consideration of this complaint identified no breach of the Code and no further action was required.

4.4 Failures to comply with the regulatory system and instances of intervention

4.4.1 Informal intervention had been undertaken at one institution as a result of a serious breach of the Financial Management Code (the Code), in 2018/19. The action plan to address the issues identified continued to be monitored by HEFCW officers during 2020/21 to ensure the issues were being appropriately addressed.

4.4.2 There were no instances where formal intervention in respect of a failure to comply, or a likelihood of failure to comply, with the Code was required during the reporting period.

Section 5 – Statement of Intervention

- 5.1 A full [Statement of Intervention](#) is in place. The Statement outlines HEFCW's powers of intervention under the Higher Education (Wales) Act 2015.
- 5.2 The Statement of Intervention is kept under review by HEFCW's Regulation Committee. Areas of improvement to the Statement have been identified but do not materially change the basis on which we can regulate and will not have a material impact on Government policy. In light of intentions to dissolve HEFCW then it has been agreed that these enhancements should not be made at this time but that they should be shared with the new Commission for Tertiary Education and Research when it is established.

Section 6 – Assurance Statement

- 6.1 This section provides an annual assurance statement by the Higher Education Funding Council for Wales (HEFCW or the Council) to the Welsh Government on regulated institutions' compliance with the regulatory system laid down by the 2015 Act and highlights any areas of concern or risk.
- 6.2 The Council's assessment is that, across the regulated sector, institutions' compliance with the regulatory requirements imposed by the Higher Education (Wales) Act 2015 has been broadly satisfactory. Where particular issues were identified during the reporting period, the Council has pursued them rigorously with the institutions concerned, as noted above.