

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:39
To: Fiona Bashford
Subject: 20/11/13 - PAC Chair statement on WAO HE finances report MR.docx
Attachments: PAC Chair statement on WAO HE finances report MR.docx

From: Matthew Mortlock
Sent: 20 November 2013 09:36
To: Huw Thomas; Paul Dimblebee; Mark Woods; Rachel Moss; Laura Young
Subject: FW: PAC Chair statement on WAO HE finances report MR.docx

Please find attached a final version of the PAC Chair's statement on HE finances. [REDACTED]
[REDACTED]

Matt

From: Buckle, Fay (Assembly - Chamber & Committee Service) [mailto:Fay.Buckle@Wales.gov.uk]
Sent: 20 November 2013 09:14
To: Matthew Mortlock
Cc: Griffiths, Claire (Assembly - Chamber & Committee Service)
Subject: FW: PAC Chair statement on WAO HE finances report MR.docx

Matthew,

Please find Darren's statement in response to WAO report on HE finances attached.

Fay

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Datganiad dwyieithog yw hwn. Mae'r fersiwn Saesneg yma.

This is a bilingual media release. The English version can be read here.



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

DATGANIAD I'R WASG

PRESS RELEASE

Embargoed until 00.01, 21 November 2013

Statement from the Chair of the Public Accounts Committee

The Chair of the National Assembly's Public Accounts Committee, Darren Millar AM, has released the following statement in response to the Wales Audit Office report on higher education finances.

Mr Millar said:

"This report raises important questions about the robustness of the Welsh Government's original policy-making in 2010 and about other issues relating to student finance and the regulation of higher education, in particular, the adequacy of arrangements for processing student finance applications to protect against the risk of fraud.

"It is clear that further work is needed to monitor and review the policy's impact in more detail, and to address conclusively the question of parity in the tuition fee arrangements for part-time students.

Alex Feeney
Swyddog Cyswilt â'r Cyfryngau
Cynulliad Cenedlaethol Cymru
Bae Caerdydd, CF99 1NA
Ffôn: 029 2089 8215
ebost: alex.feeney@wales.gov.uk

Alex Feeney
Media Relations Officer
National Assembly for Wales
Cardiff Bay, CF99 1NA
Phone: 029 2089 8215
e-mail: alex.feeney@wales.gov.uk

"The Auditor General's findings about the overall financial health of the higher education sector and the way in which the tuition fees policy has been implemented are, however, encouraging.

"The Public Accounts Committee will be considering formally the Auditor General's findings in due course.

"In the meantime, I expect that the report will be of particular interest to my colleagues on the National Assembly's Finance Committee who are currently undertaking an inquiry into higher education funding."

Notes to Editors

The full report on higher education finances is available from the Wales Audit Office.

More information about the Public Accounts Committee can be found here.

English




Welsh



Alex Feeney
Swyddog Cyswilt â'r Cyfryngau
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Fiona Bashford

 **From:** Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:49
To: Fiona Bashford
Subject: 20/11/13 - HE finances

From: Huw Thomas
Sent: 20 November 2013 17:47
To: Matthew Mortlock
Subject: Re: HE finances

Well done - I look forward to seeing you on screen in the morning. Interesting line of Leighton's

Huw

Huw Vaughan Thomas

Tel: 
 E-mail: Huw.Thomas@wao.gov.uk

On 20 Nov 2013, at 17:35, "Matthew Mortlock" <Matthew.Mortlock@wao.gov.uk> wrote:

Thought I'd update you on the fact that I've done an interview for Real Radio this afternoon, recorded some clips for BBC Wales News (for the regional news items during BBC breakfast) and am going into Radio Wales for an interview after the 7am news tomorrow (apparently Leighton Andrews is in at 8am and is keen to emphasise that the policy is in fact cheaper than they thought (based on the assumptions about what it would have cost if everyone charged £9k fees).

Matt

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:39
To: Fiona Bashford
Subject: 20/11/13 - HE finances

From: Matthew Mortlock

Sent: 20 November 2013 18:20

To: Huw Thomas

Subject: RE: HE finances

Thanks.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] the fact remains that the core assumption underpinning the policy announcement in 2010, and reflected in the data that was formally presented to Cabinet to underpin the policy decision, was based on the £7k assumption. I shall be attempting to make this point clearly in the morning if asked.

[REDACTED]
[REDACTED]
[REDACTED]
So essentially it boils down to whether you compare what is happening with what it was known the policy could potentially cost, which is what Leighton appears to be arguing, as opposed to what WG expected the policy to cost based on its core assumptions, which is the approach we have taken in arriving at our conclusions [REDACTED]
[REDACTED]

Matt

From: Huw Thomas
Sent: 20 November 2013 17:47
To: Matthew Mortlock
Subject: Re: HE finances

Well done - I look forward to seeing you on screen in the morning. Interesting line of Leighton's

Huw

Huw Vaughan Thomas

Tel: [REDACTED]
E-mail: Huw.Thomas@wao.gov.uk

On 20 Nov 2013, at 17:35, "Matthew Mortlock" <Matthew.Mortlock@wao.gov.uk> wrote:

Thought I'd update you on the fact that I've done an interview for Real Radio this afternoon, recorded some clips for BBC Wales News (for the regional news items during BBC

breakfast) and am going into Radio Wales for an interview after the 7am news tomorrow (apparently Leighton Andrews is in at 8am and is keen to emphasise that the policy is in fact cheaper than they thought (based on the assumptions about what it would have cost if everyone charged £9k fees).

Matt

Matthew Mortlock

From: Huw Thomas
Sent: 21 November 2013 11:49
To: Matthew Mortlock; Rachel Moss
Cc: Sophie Potter; Paul Dimblebee; Gillian Body
Subject: Statistics at dawn: LA vs WAO

Matt

This is a good summary from the BBC Political Editor. Though I'm worried by the fact that we seem to be developing a Wild West Image, what with Mexican Standoffs in Carmarthenshire and Statistics at Dawn, We perhaps need to train on the rifle range.

Huw

21 November 2013 Last updated at 09:12

Article written by Nick Servini
Political editor, Wales
Statistics at dawn: LA vs WAO

Another fractious day ahead in another fractious political week it seems. This morning, the former education minister Leighton Andrews and the Wales Audit Office have taken to the airwaves to debate whether the Welsh Government's flagship student fees policy has come in millions of pounds under or over budget.

It's pretty unusual for the WAO to face this kind of questioning about their reports which are by and large treated as gospel even by those who are criticised.

But the response shows just what a political hot potato this policy now is, and how high the stakes.

Here's an explainer on what this disagreement is about: as you might expect there are a fair few numbers.

The WAO have based their analysis of there being a 24 per cent increase in the five year cost of the policy from the initial £653m estimate to £809m currently on the core assumption used to underpin the Cabinet's decision to pursue the policy in November 2010.

This assumption at that point in time was from academic year (AY) 2012/13 that there would be a maximum variable tuition fee of £7,000pa at Welsh and English HEIs. This £7k model works out the annual cost of the tuition fee grant as:

2012-13: £31.5m

2013-14: £92.7m,

2014-15: 147.3m

2015-16: 182.9m

2016-17: £198.9m

£653m

The reason the WAO say they have taken these figures as their starting point is that in order to audit effectively you have to have a baseline to start from when you're evaluating the cost of a policy decision.

And since the £7k model was the main thrust of the 2010 Cabinet paper seeking approval for the policy, that is what they have gone with. There was a reference in that paper to the financial risks to the policy of a £9k maximum fee level - but it's not believed that this reference mentioned that those costs had been modelled and the actual costs were not provided.

This was confirmed in general terms by Mr Andrews on Good Morning Wales earlier, within the bounds of the convention that former ministers don't speak in detail about private discussions while they were in office.

There's no way of us checking this independently as the paper is still restricted.

However, at the same time that the officials were doing the detailed modelling on the £7k assumption, they were also modelling the cost impact of £9k - this gives a total cost figure over five years of around £1.02bn. Both of these were subsequently published in 2011 following BBC Wales FOI requests.

Leighton Andrews' argument is that since that £9k modelling had taken place within government at that stage, then the WAO are wrong to take the costs of the £7k model alone as the starting point for their cost inflation analysis - since the WG did have higher estimates in its possession. This, as he has pointed out robustly this morning, is acknowledged at section 1.43 of the WAO report (or "buried" as he described it).

But as the report makes clear, these £9k cost risks weren't shared with the full Cabinet and the paper before them didn't rely on them as the basis for their decision. The WAO say that "certain" Cabinet members were aware of the £1bn+ cost risk of the £9k model - Plaid Cymru sources say they are fairly sure the then deputy first minister and Plaid leader Ieuan Wyn Jones was made aware of it.

Subsequent to the November 2010 Cabinet decision and announcement much clearer information became available as to the exact fees that HE institutions would be charging and therefore the £9k model was far more accurate - so then at that point the estimated cost of the policy became £1.02bn over five years.

Since this forecast was made, the expected cost of the tuition fee grant has decreased from £1.02bn over five years to £809m.

One of the main reasons for the decrease in the forecast cost of the TFG is that the average tuition fee for Welsh students has decreased from £9,000pa to £8,680pa for 2012-13 and from £9,000pa to £8,291pa for future years.

So the reduction is due to the new £9k estimate being the absolute highest possible amount the policy could cost and it actually coming in a bit lower than that - hence the fact that Mr Andrews and the WAO are about £350m or more apart in their interpretations.

If nothing else, it's a fascinating story of the inner workings of the Cabinet, and the way in which decisions with vast political and cost implications are taken.

Huw Vaughan Thomas
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24 Cathedral Road, Cardiff, CF11 9LJ
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E-mail: huw.vaughan.thomas@wao.gov.uk
www.wao.gov.uk

From: Matthew Mortlock
Sent: 21 November 2013 10:59

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:49
To: Fiona Bashford
Subject: 21/11/13 - Twitter and HE finances

From: Huw Thomas
Sent: 21 November 2013 11:04
To: Matthew Mortlock
Cc: Rachel Moss; Sophie Potter; Paul Dimblebee
Subject: Re: Twitter and HE finances

Agreed - very succinct

Huw Vaughan Thomas

Tel: [REDACTED]
E-mail: Huw.Thomas@wao.gov.uk

On 21 Nov 2013, at 10:59, "Matthew Mortlock" <Matthew.Mortlock@wao.gov.uk> wrote:

How about this for posting on our twitter page – under the 140 character limit and with a bit of slack for Welsh translation.

WAO compare latest estimates of tuition fee support costs with the £7k average fee model at the heart of the 2010 policy decision

Who would have thought I could be this succinct.

Matt

From: Huw Thomas
Sent: 21 November 2013 10:06
To: Matthew Mortlock; Rachel Moss
Cc: Sophie Potter; Paul Dimblebee; Gillian Body
Subject: RE: Twitter and HE finances

Matt

Without directly engaging with Leighton we ought to make sure that readers understand we are basing our figures on those that Cabinet agreed.

Huw

Huw Vaughan Thomas
Auditor General for Wales
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24 Cathedral Road, Cardiff, CF11 9LJ
Direct tel no: 029 2032 0510
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E-mail: huw.vaughan.thomas@wao.gov.uk
www.wao.gov.uk

From: Matthew Mortlock
Sent: 21 November 2013 09:39
To: Rachel Moss
Cc: Sophie Potter; Paul Dimblebee; Huw Thomas; Gillian Body
Subject: Twitter and HE finances

Yes – I've just seen Leighton's twitter posting with the picture of the daleks.
<https://twitter.com/LeightonAndrews>

Personally, I don't think we should be entering the twitter debate on this pro-actively, although I was just discussing with Sophie whether we need to think about tweaking the text of the proposed blog to acknowledge/address the developing discussion about which baseline to work from. And I'd be happy to revisit putting the blog out in my name. [REDACTED]

Fuller comment from Leighton Andrews is here:
<http://www.itv.com/news/wales/update/2013-11-21/wales-tuition-fees-audit-office-leighton-andrews/>


Matt

From: Rachel Moss
Sent: 21 November 2013 09:13
To: Matthew Mortlock
Subject: Re: Radio interview

Lots of chatter about it on twitter, especially Leighton Andrews. Various people tweeting about press getting figures wrong and pointing people to para 1.43. Let us know if there are any points you would like us to tweet. We'll put out the standard signpost tweet and perhaps a separate one to say something like 'Read para 1.43 of our report on tuition fees for our assessment of costs to Wales'

Sent from Samsung Mobile

Fiona Bashford

 **From:** Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:49
To: Fiona Bashford
Subject: 21/11/13 - WAO report on HE fees/finance published today

From: Huw Thomas
Sent: 21 November 2013 15:27
To: Matthew Mortlock
Cc: Paul DImblebee
Subject: Fwd: WAO report on HE fees/finance published today

Matt

I'll reply personally to [redacted] but did you access the e-mails he mentioned?

Huw

 Huw Vaughan Thomas

Tel: [redacted]
E-mail: Huw.Thomas@wao.gov.uk

Ian Phillips

From: Matthew Mortlock
Sent: 24 August 2012 15:02
To: ian.m.clarke@uk.pwc.com; Hywel.pullen@uk.pwc.com
Cc: Paul Dimblebee; Gillian Body; Terry Lewis; Anthony Barrett; Simon Edge; paul.a.dalton@uk.pwc.com; ian.looker@uk.pwc.com
Subject: FW: HE study: Action points
Attachments: 120814 Actions from Issues Analysis meeting.docx; FINANCIAL PLANNING AND MANAGEMENT IN HIGHER EDUCATION.DOCX

Importance: High

Dear Ian/Hywel (and other copy recipients)

I attach a brief summary of the action points that we identified at our meeting last week. For my part, I'll ensure we get you materials next Tuesday in relation to our Performance Audit Delivery Manual/PID template/question hierarchies etc. We have already set about arranging the initial WG/HEFCW meetings as you will know.

I've also attached a copy of a note based on the flipcharts from our meeting. I haven't sought to do anything particular with these, they are largely translated here as written up on the day.

Just to let you know also that while I am working next Tuesday I am not then around until the following Tuesday. Likewise Paul is off work next week. If there is anything pressing then you will need to contact Gillian.

Kind regards

Matthew Mortlock
Wales Audit Office
029 20320618

HE Financial Planning and Management

Agreed actions following Issues Analysis meeting on 14 August 2012

Action	By	When
1. WAO to send introductory letters to HEFCW and WG	MM/PD to draft GB to send	ASAP
2. WAO to set up initial meetings with WG (Emyr Roberts) and HEFCW (Chief executive), to involve WAO (PD and MM) and PWC (IC and HP)	CH to arrange	ASAP
3. WAO to identify and arrange meetings with other key players in WG and HEFCW	MM (CH)	Depends on outcome of Action 2
4. WAO to write up and distribute notes of 14 August Issues Analysis workshop	CH/MM	ASAP
5. WAO to map out rough timetable with key milestones	MM	Mid September
6. PwC to expand second lower level question into a full question hierarchy covering proposed questions and methods for work at HE institutions	IC/HP	Mid September
7. WAO to send PwC: relevant extracts from Performance Audit Delivery Manual (PADM); Project Initiation Document PID template; examples of previous question hierarchies in relation to financial planning and management issues examined by WAO in other sectors.	MM	End August
8. WAO to explore options re. accommodation for PwC with business services and to explore, from our side, whether there is an extranet option.	MM/CH	End September
9. PwC also to explore options on their side for information sharing throughout the study.	IC/HP	
10. WAO to identify relevant material from HEFCW's intranet	MM/TL	Mid September
11. PwC to research/map out other publicly available information and data relevant to the study, including exploring in more detail	IC/HP	Mid September

options for/feasibility of benchmarking.		
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WAO: CH = Christine Henry
GB = Gillian Body
MM = Matthew Mortlock
PD = Paul Dimblebee
TL = Terry Lewis

PwC: IC = Ian Clarke
HP = Hywel Pullen



**Minutes of Performance Directors' Committee (PDC) Meeting
7 February 2013 at 10.00 am – 1.00 pm
Cardiff Room 1**

Attending: Gillian Body (Chair), Paul Dimblebee, Alan Morris, Jane Holownia, Dave Thomas, Christine Henry (minutes)

In Attendance: Matthew Mortlock (Item 3 & 4); [REDACTED]

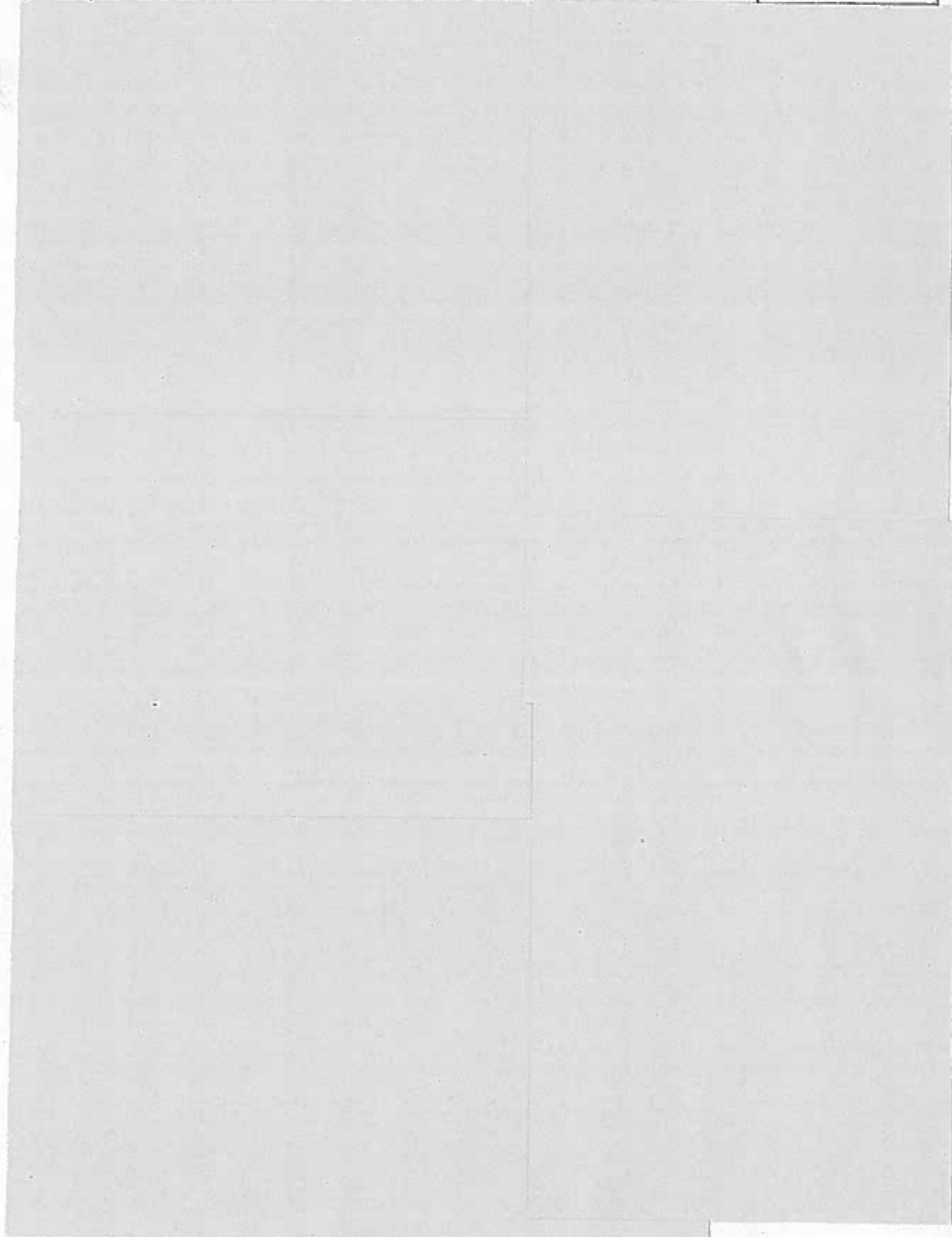
Item Minute

Action

3. PID : Higher Education Financial Planning and Management

Matthew was welcomed to the meeting and he talked through the PID on Higher Education Financial Planning and Management. PDC discussed the arrangements for PwC undertaking the work and Matthew explained that this would be regarded as 'core services' under the framework contract and would be additional to any work that PwC are currently carrying out on Local Government.

<p>PDC discussed the PID including the contracting budget and the working arrangements with PwC. Matthew undertook to revise the PID to reflect PDC comments and send the revised PID to Gillian for submission to the AGW for him to write to PwC confirming the study.</p>	<p>Matthew Gillian</p>
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Ian Phillips

From: Matthew Mortlock
Sent: 03 May 2013 15:06
To: hywel.pullen@uk.pwc.com
Cc: ian.m.clarke@uk.pwc.com; Paul Dimblebee; Sophie Potter; ian.looker@uk.pwc.com; thomas.p.dhar@uk.pwc.com; sophie.wint@uk.pwc.com
Subject: RE: HE finances study and 'DC' session tomorrow

Dear Hywel and colleagues

Thank you for your contributions to what I think was a constructive meeting yesterday afternoon. I have pulled together below a summary of some of the key actions arising from the meeting from my perspective:

- WAO to schedule a date to work up report structure and to agree respective contributions.
- WAO to circulate notes of DC meeting.
- WAO to chase up a date for a further meeting with HE Wales (to involve WAO and PwC).
- WAO to emphasise to the Open University the opportunity to feed into the review its perspective re. part time funding/student finance arrangements.
- PwC to follow-up local HEI fieldwork specifically in respect of identifying potential case study material, contacting HEIs where necessary to seek any further information to flesh out those case studies, and to generally emphasise to the sector that there is still an opportunity to highlight anything that institutions feel represents good practice that is worth sharing (and free from commercial confidentiality issues), for example in respect of financial planning, cost reduction, production of financial information/analysis/forecasting, course costing (or other areas that PwC think were emerging from fieldwork as key themes).
- PwC and WAO to clarify with HEFCW and WG respectively the issue of HEFCW's communication with WG in advance of the policy announcement on FTUG student finance in November 2010. WAO has seen reference in WG papers to a workshop held between WG and HEFCW in early September 2010 which was to discuss options in response to the Browne review. It would be useful to get clarification from the perspective of WG and HEFCW re. the scope of that discussion (although it is possible that HEFCW involvement may have been limited to [REDACTED]).
- PwC to explore with HEFCW the extent of their involvement in WG's development of a new HE policy statement and the extent of discussion with WG regarding the development of the fresh technical consultation re. the HE Bill.
- WAO/PwC to take forward various other outstanding actions to address evidence gaps/queries flagged in the papers prepared for the DC meeting (e.g. WAO to probe further on sensitivity analysis in initial modelling work and to get hold of the paper that WG is preparing for Enterprise and Business Committee; e.g. PwC following up discussions with Scottish Funding Council, other HEI related interviews/documents, and any outstanding financial analysis).
- PwC to explore whether its wider international contacts can provide any evidence re. reviews of the impact of differential student finance policy on a cross-border basis within a country (notably example likely to be the US).
- PwC to consider its conclusions on HEI progress/position on cost reduction against the backdrop of the findings of the PwC review (in 2009?) the costs of education in Wales, and contrasted with any coverage of cost reduction issues in a recent HEFCE report on the financial position of English HEIs.
- PwC to consider evidence in relation to stakeholders' views of HEFCW and its processes against the backdrop of the most recent HEFCW stakeholder survey as available on HEFCW website (if not already considered).
- PwC to consider how its findings could be presented in the context of issues raised by a wider PwC survey of HE finance directors (in 2011?).
- PwC/WAO to discuss with HEFCW opportunities for working together on disseminating key learning from our work (but this is best revisited when engaging WG/HEFCW on emerging findings and conclusions).

Regards

Matthew Mortlock
Wales Audit Office
029 20320618

Ian Phillips

From: Fiona Bashford
Sent: 17 December 2013 09:55
To: Ian Phillips
Subject: 22/05/13 - Further and Higher Education (Governance and Information) (Wales) Bill and the new technical consultation on the HE (Wales) Bill
Attachments: Consultation letter + Questions (e).pdf
Importance: High

From: Matthew Mortlock
Sent: 22 May 2013 09:43
To: Huw Thomas
Cc: Mike Usher; Anthony Barrett; Martin Peters; Terry Jones; Chris Pugh; Janet McNicholas; Iolo Llewelyn; Anthony Veale; Terry Lewis; Paul Dimblebee
Subject: RE: Further and Higher Education (Governance and Information) (Wales) Bill and the new technical consultation on the HE (Wales) Bill
Importance: High

Huw

Separate to this, you may wish to be aware that the Welsh Government has just published a technical consultation on its Higher Education (Wales) bill that is open until the end of July. Several of the issues raised in that technical consultation are also relevant to our study of HE financial planning and management in that the proposals in the technical consultation are intended, in part at least, to address some of the consequences in changes of changes in HE funding and student support arrangements following the introduction of increased tuition fees.
<http://wales.gov.uk/consultations/education/higher-education-wales-bill-technical-consultation/?lang=en&kih>

We probably need to consider whether we would wish to respond at all to this consultation given the work we have been doing which has considered the existing arrangements that HEFCW has in place, although I'm minded to question whether it would be appropriate to nail our colours to the mast on any of this stuff at all while the vfm study is ongoing. We will comment on this technical consultation in our report, in the context of how it is reflective of the consequences of the changes that have been introduced in Wales re. tuition fees and the tuition fee grant. If it was decided that we should respond then we should probably seek some PwC input given they have been leading our fieldwork with HEFCW.

Matt

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:31
To: Fiona Bashford
Subject: 26/09/13 - Letter to Jocelyn Davies on higher education funding
Attachments: Letter to Jocelyn Davies AM.docx

Importance: High

From: Matthew Mortlock
Sent: 26 September 2013 10:02
To: Huw Thomas
Subject: FW: Letter to Jocelyn Davies on higher education funding
Importance: High

Huw

As you know, we have a study on-going on higher education finances. We're hoping to get into formal clearance on that within the next few days. As you may also be aware, the Finance Committee has launched an inquiry on higher education funding which is likely to cover some similar territory (<http://www.senedd.assemblywales.org/mgIssueHistoryHome.aspx?IId=5931>).

I've met the clerking/research service team for Finance Committee over the summer to discuss our work and timings and, while we can't make a formal submission to the committee's consultation at this stage, I did suggest to them that we would write to confirm the scope of our report. For that purpose I have attached a draft letter.

The closing date for submissions to the Finance Committee's consultation is tomorrow, although I see this more as a piece of personal correspondence from you to the Chair rather than a submission that the committee would include in its published material (although I think we'd have no concerns about it going in the public domain).

Are you content for this to be sent in your name.

Matthew

Jocelyn Davies AM
Chair – Finance Committee
National Assembly for Wales
Cardiff Bay
Cardiff CF99 1NA

FINANCE COMMITTEE INQUIRY ON HIGHER EDUCATION FUNDING

Dear Jocelyn

Comment [MM1]: Or Chair –
depending on Huw's preference

Wales Audit Office staff have made me aware of the Finance Committee's inquiry on higher education funding, in the context of the forthcoming publication of my own report on higher education finances. The process of clearing my report – with the Welsh Government, HEFCW and other third parties – is due to commence within the next few days. Colleagues have already indicated to the Welsh Government and HEFCW their desire to see the report published in time for it to inform the Committee's planned evidence sessions, which I understand are scheduled to start in mid to late November.

Wales Audit Office staff have already discussed our work with members of the clerking/research service team over the summer recess. While I am not able to share specific findings and conclusions at this stage, I can set out for you the overall scope of my report, which will provide commentary on various issues including:

- The background to the Welsh Government's policy announcement in November 2010 on the introduction of higher tuition fees and the Tuition Fee Grant for full-time undergraduate study.
- Comparison of the Welsh Government's recent modelling of the costs associated with the Tuition Fee Grant and student loans, compared with the projections that underpinned the November 2010 policy decision. I understand that the Welsh Government has recently submitted evidence to the Enterprise and Business Committee in that regard.
- The implementation of the new tuition fees policy and wider issues in respect of higher education funding and regulation and student finance, including:
 - the Welsh Government's higher education delivery programme;
 - arrangements for monitoring and measuring the costs associated with student finance support, including loan policy write-off charges;
 - tuition fee and finance support arrangements for part-time students;
 - plans to centralise the student finance system through the Student Loans Company;
 - planned changes to the higher education regulatory framework;
 - changes made by HEFCW to its distribution of higher education funding;
 - the tuition fee planning process; and
 - HEFCW's monitoring of the financial sustainability, governance and performance of higher education institutions.
- The financial health of higher education institutions and their financial planning and management arrangements.

There is, therefore, likely to be some overlap between my report and the scope of the Committee's inquiry. However, my reading of the Committee's terms of reference suggests that there are also issues that you intend to cover that will not be explored in detail in my report, including the issue of student choice.

The timing is such that I think my report will usefully inform the Committee's work and I will ask the Wales Audit Office study team to maintain a close dialogue with your clerking team as we approach the point of publication. I am also copying this letter to the Chair of the Public Accounts Committee.

Your sincerely,

HVT

cc. Darren Millar AM (Chair – Public Accounts Committee)

From: Huw Thomas
Sent: 26 September 2013 10:25
To: Matthew Mortlock
Subject: Re: Letter to Jocelyn Davies on higher education funding

Yes - happy to see it go

Huw

Huw Vaughan Thomas

tel: [REDACTED]
E-mail: Huw.Thomas@wao.gov.uk

On 26 Sep 2013, at 10:02, "Matthew Mortlock" <Matthew.Mortlock@wao.gov.uk> wrote:

Huw

As you know, we have a study on-going on higher education finances. We're hoping to get into formal clearance on that within the next few days. As you may also be aware, the Finance Committee has launched an inquiry on higher education funding which is likely to cover some similar territory (<http://www.senedd.assemblywales.org/mglIssueHistoryHome.aspx?Id=5931>).

I've met the clerking/research service team for Finance Committee over the summer to discuss our work and timings and, while we can't make a formal submission to the committee's consultation at this stage, I did suggest to them that we would write to confirm the scope of our report. For that purpose I have attached a draft letter.

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Are you content for this to be sent in your name.

Matthew

<Letter to Jocelyn Davies AM.docx>

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:33
To: Fiona Bashford
Subject: 09/10/13 - Finance Committee HE funding consultation responses
Attachments: Fin(4)-HEF Evidence Pack e.pdf

From: Matthew Mortlock
Sent: 09 October 2013 16:45
To: Huw Thomas
Subject: Finance Committee HE funding consultation responses

Huw

Given your interest, I thought you might like to see the pack of responses that the Finance Committee received in response to consultation on its HE funding inquiry. If we achieve our aim of publishing on 14 November then Finance Committee will, just, have started to take verbal evidence before that but I'm aiming to maintain a dialogue with the Finance Committee clerks between now and then, including discussing with them any issues arising from these responses from our perspective.

In the meantime, we're doing a check on whether there is any clear conflict between the content of these responses and our draft, with particular reference to the HE Wales and OU Wales submissions.

Thanks for your positive feedback on the draft as it stands.

Matt

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:35
To: Fiona Bashford
Subject: 05/11/13 - FYI - HE finances
Attachments: Confidential and urgent: WAO HE finances report - tracked changes; Confidential and urgent: WAO HE finances report - tracked changes

From: Matthew Mortlock
Sent: 05 November 2013 08:31
To: Huw Thomas
Cc: Paul Dimblebee
Subject: FYI - HE finances

Huw

FYI – I sent these messages with updated versions of the HE finances report to WG and HEFCW yesterday. The email responses to WG/HEFCW contain reference to the comments we received from both parties and our response to those comments. We are now working to a 21 November publication date at best but as you will see from my email to WG, this is very much dependent on them being able to offer a further and more formal working level response by Thursday of this week.

Matt

Fiona Bashford

From: Fiona Bashford on behalf of Huw Thomas
Sent: 06 December 2013 15:35
To: Fiona Bashford
Subject: 12/11/13 - FYI - HE finances

From: Matthew Mortlock
Sent: 12 November 2013 11:46
To: Huw Thomas
Subject: FYI - HE finances

Huw

I know you've got a lot else on tomorrow – but this is just to warn you that we may be looking to turnaround swiftly tomorrow your approval of the Accounting Officer clearance letter to WG/HEFCW re. HE finances and still with a view to publication next Thursday (21st).

Matt