

# INDEPENDENT HIGHER EDUCATION

IHE response to Medr's consultation on a new regulatory system including conditions of registration and funding

July 2025

## **Annex A: Regulatory Approach and Intervention Powers**

***To what extent do you agree that our Regulatory Approach will support our ability to fulfil the aims of our Strategic plan?***

Agree.

***To what extent do you agree that our Regulatory Approach will support our intention to be a proportionate and risk-based regulator?***

Agree.

***To what extent do you agree with the philosophy, principles and expectations set out in our Regulatory Approach?***

Strongly agree.

***Could the Regulatory Approach, as set out, be applied consistently across all tertiary providers?***

Partially.

Independent Higher Education (IHE) supports the intentions of the regulatory approach and notes the reference to the need for a framework which is both robust and adaptable. We have some concerns that regulation which prioritises consistency often struggles to be adaptable and is rarely proportionate to the types of organisations regulated. We have responded 'partially' above because we believe it should only be partially consistent.

Medr's approach should consider the needs of niche and nuance, not just a complex and dynamic landscape. Transparency and proportionality should lead where consistency is inappropriate. The regulatory approach as laid out in the consultation clearly intends to avoid costly and inappropriate regulation. However, it will take a concerted and ongoing effort to ensure that all parts of the tertiary landscape have proportionate and effective regulation. There should be no drift in the system to adapt to the loudest voices and the largest numbers, to the detriment of diversity and student choice.

We urge Medr to develop specific guidance and consider the regulatory value of each aspect of the framework for different types of delivery. To apply a regulatory approach proportionally and consistently Medr should evaluate each regulatory condition and either disapply or provide specific guidance where providers in common models may not be able to meet the condition in the same way as others, or where the regulatory action is for a risk that the provider will not experience. Common models include:

- academic partnerships
- providers with small student numbers
- providers teaching across the FE/HE divide or delivering apprenticeships alongside specialist higher education
- non-traditional delivery models (such as accelerated degrees, online, providers with multiple start dates, or those teaching evening and weekends to meet the needs of working students)
- non-traditional subjects (such as interdisciplinary courses or courses at a higher level leading to roles currently classed as 'unskilled')
- teaching-only providers not positioned to access any research funding.

***Is the Regulatory Approach sufficiently reflected throughout the different Conditions of Registration and Conditions of Funding that are set out in this consultation?***

Yes.

***If you have any other comment related to our regulatory approach, please note here.***

IHE supports Medr's proposal to retain a clear and proportionate role in overseeing the quality of tertiary education provision delivered in Wales. We welcome the transparent approach to accessing student funding through the regulatory framework and the desire to expand Medr's regulatory reach to providers not directly registered or funded by Medr.

We agree that those operating in Wales should be expected to comply with the quality expectations set out in the Quality Framework. This approach ensures that all learners in Wales benefit from consistent standards of quality and protection, and it provides Medr with appropriate powers to intervene where necessary to uphold those standards.

We believe this is a sensible and balanced mechanism for safeguarding the interests of learners and maintaining public confidence in the Welsh tertiary education system. The principle of a licence to operate is an approach long advocated by IHE. The model adopted here by Medr is an excellent mechanism that other UK nations should consider to protect students and public money.

***Our proposed Intervention Powers apply to all tertiary education and training providers in Wales as it sets out the range of our intervention powers and how these may be used to address issues of non-compliance with Conditions of Registration and Conditions of Funding.***

***To what extent do you agree that the interventions align to The Act's intentions?***

Agree.

***To what extent do you agree that the Statement of Intervention aligns with our Regulatory Approach?***

Agree.

***Would supplementary guidance for the Statement be helpful?***

Yes.

Providers may find supplementary guidance helpful on the types of cases that would count as minor non-compliance, non-compliance, etc to understand the difference in where a scenario would escalate between the levels. This will help with the framework principles of transparency and clear guidance. Case studies help to bring understanding to all levels of an organisation as they work to put regulatory principles into practice.

Medr is a new regulator in a space which has been regulated significantly in the past. Further guidance would be welcome on the weight Medr will place on previous regulatory interventions by other regulators, including those for whom Medr is now taking over regulatory responsibility, and those operating in different regulatory regimes. We encourage Medr to consider more rigorous interventions where providers have been investigated and subject to regulatory action under other regulators, or where individuals with control of an organisation that is seeking to join the Medr register have themselves been party to previous regulatory action under other regulators.

It would be useful for more information to be shared on the publication process; it is noted that 'Medr will give consideration to the potential risks to a provider associated with the publication of information on any intervention.' This should not happen without preceding dialogue with the institution concerned. IHE would encourage greater clarity on the way in which the decisions to publish will be taken, as part of transparent communication, through the Spectrum of Regulatory Interventions. Decisions to publish should only move forward following dialogue so that there is full understanding of the impact of proposed publication on current and prospective students and the provider.

## **Annex B: Regulatory Framework**

### **Monitoring Arrangements**

***In the Statement, we have provided two potential models for our approach to engagement with those providers that we monitor - do you have any comments in relation to this?***

We believe that both models have merit in a balanced regulatory relationship; removing either in favour of the other will create risks.

Model 1 – enabling Medr to address issues as they arise – is essential for taking the timeliest intervention at the point where risk becomes apparent, and mitigating risk for current, not just future students. However, monitoring information is only valuable as an indicator. Regulatory burden for provider and regulator increases exponentially when that information is not placed in context. Therefore, a focus on longer term strategy, performance and sustainability is indispensable in the type of regulatory system that Medr wishes to create – one of meaningful dialogue and proportionate engagement.

To understand the details of what may appear to be compliance issues based on indicators such as data, the broader holistic approach often needs to be employed to understand complexity of context. This is also the best way to understand where providers are already making changes to address issues that have presented in data historically, as they have been identified by the management and governance structures, and therefore have actions and remedies applied. Models 1 and 2 therefore work best when both are considered as part of a whole system.

For example, some IHE Members have courses which run parallel to industry embedded models such as apprenticeships or professional training. Students may start one course and exit to move to the other model. In data this can appear as a high volume of students not completing courses or extending their study time. With context, Medr would already understand that these providers offer this 'step-across, not off' model of delivery to encourage students to complete a qualification when either model is not the best route for them. This conversation would be more meaningful with this context, only found in Model 2. Additional data could also be requested (to minimise risk) as part of more strategic conversations.

***Do you have any other comments regarding the proposed approach to monitoring compliance with Conditions of Registration / Funding?***

IHE welcomes Medr's recognition of the diversity within the tertiary education sector through the creation of two distinct categories of registration: Higher Education Providers (Core) and Higher Education Providers (Alternative). We believe this distinction is essential to reflect the varied missions, funding relationships, and regulatory contexts of providers operating in Wales, and of those who may wish to join the tertiary system in the future.

Given these differences, we strongly encourage Medr to ensure that its planned approach to monitoring, risk assessment, and proportionality is appropriately tailored to each registration category, as implied by the reference to using lighter-touch monitoring. Providers in the Core category, who receive direct grant funding and are subject to higher levels of public investment, may reasonably be expected to meet more extensive reporting and assurance requirements. In contrast, providers in the Alternative category - who may operate on a more agile or specialist, model - should be subject to a lighter-touch, risk-informed approach that reflects their scale, scope, and funding arrangements. A one-size-fits-all model across both categories risks placing disproportionate burdens on smaller or more innovative providers, potentially stifling diversity and learner choice in the Welsh tertiary education landscape.

We therefore recommend that Medr's final regulatory framework includes clear articulation of how proportionality and risk will be interpreted differently across the two categories, and how monitoring will be adapted to reflect the nature of each provider's engagement with the Welsh system. This will help to inform providers as they make the choice of which category of registration is best suited to their provision.

It would also be helpful for Medr to carefully consider the data or information that they will require within each category to ensure it is appropriate for the provider and the benefits they receive. For example, providers have been asked to submit data relating to research funding where they are a teaching-only provider unlikely to be eligible for such funding in other regulatory regimes. Where Medr is seeking to regulate separately providers under partnership, it should ensure the data requests are proportionate and where possible pulled from available sources such as lead-partner data.

IHE looks forward to hearing further information and contributing to subsequent consultations including on the Learner Protection Plans and The Learner Engagement Code, particularly for those providers that do not fall into either of the registered categories.

## **Financial Sustainability**

### ***Could the condition in respect of Financial Sustainability be applied consistently across all tertiary providers?***

Medr may wish to consider a broader spectrum of providers in framing the financial sustainability requirements. For example:

- Where providers are owned by a parent entity, Medr may wish to apply Requirement 1 to the parent entity, and not only subsidiaries or entities when the provider exercises control. This may be significant where the provider is reliant on funding from a parent entity.
- How lead providers demonstrate the partners they subcontract to have similar reasonable credible plans.

### ***Are the requirements of the condition proportionate?***

Yes.

However, we would encourage Medr to consider how the criteria for judging whether the provider is financially sustainable would provide sufficient information where a provider was new and not yet delivering. Alternative information may be required, and we would be happy to discuss our experience with new providers to support Medr in creating robust but proportionate requirements for new entrants.

### ***Does this condition provide sufficient clarity regarding requirements?***

Yes.

Medr may also wish to clarify further how monitoring might be different for providers anticipating growth. To protect innovation, additional monitoring would be preferred by providers over rejection of growth plans that do not meet the established threshold for credibility simply because they are different from traditional growth models. Medr should

consider implementing additional monitoring options to encourage growth and innovation, especially of smaller providers meeting local needs.

## **Governance and Management (including Financial Management)**

### ***Could the condition in respect of Governance and Management be applied consistently across all tertiary providers?***

Yes.

### ***Are the requirements of the condition proportionate?***

Unsure.

The requirement to produce a self-assessment on governance at registration will be more of a challenge for smaller providers and those unfamiliar with existing higher education terminology in governance. In our experience, this self-assessment is not a replacement for governing documents and can often not reflect governance practices.

We would encourage Medr to explore how to strengthen risk mitigation for ineffective governance systems through assessment of governing documents directly, including how they manage conflict of interest, their process for delegation and the knowledge of governing body members and senior staff who support the governance function. It is our experience that these are the most influential aspects of effective governance.

We also encourage Medr to introduce more robust approaches to the Nolan Principles and, in particular, to the requirement that all individuals in governance and senior management roles be fit and proper persons. This assessment should be robust and Medr should be able to have confidence it has been completed effectively from the requirements it places on providers at registration, and when key individuals change.

While we support the principle of effectiveness reviews these can be costly and may not be appropriate on an annual basis for very small providers. We encourage Medr to consider if effectiveness is not better evaluated on a longer cycle for smaller providers where more information on governance processes can be evaluated.

### ***Does this condition provide sufficient clarity regarding requirements?***

It would be helpful to include more information on the governing documents Medr requires to be published and what they expect to be 'confidential'. It would also be welcome if Medr could provide more information on "Culture", which is referenced in Annex B. This is a developing concept in higher education governance and while we acknowledge it is vital to successful governance, what constitutes a 'gap' and what actions could be taken to address this remain unclear. Further guidance would be helpful.

It would be useful to provide more detail on Medr's expectations for the composition of the remuneration committee, and the view Medr would take on common membership across the Board and its delegated committees. This has been an issue in the past where a lack of clarity has delayed registration processes as governance was re-arranged.

## **Information Provided to Prospective Students**

***Could the condition in respect of Information Provided to Prospective Students be applied consistently across all tertiary providers?***

Yes.

We would strongly recommend Medr place specific requirements on the provision of information to students in partnerships. IHE research on academic partnerships reveals that there is not consistent information for students in partnerships on the type of partnership, access to services for students studying under partnerships, the terms to which that partnership might end and the protection of students within this, or the policies and processes which apply to students in that partnership. This should all be public information available at the point of research and is not offered consistently across the sector. We would encourage Medr to place partnership information as part of the compliance requirements for both teaching and awarding providers.

## **Annex C: Quality Framework**

### **Introduction, background and scope**

***To what extent do you agree that the drafting clearly sets out the statutory basis for the Framework and what it is intended to achieve?***

Strongly agree.

***Is the scope of the definition of quality appropriate?***

Yes.

### **Principles**

***To what extent do you agree that the proposed principles are appropriate?***

Agree.

### **Criteria for assessing the quality of education**

***Which proposed features of the Quality Framework would have the most impact / add the most value in sustaining and improving quality over time?***

The framework as designed gives a good comprehensive base for providers to build their quality processes around, and all the component parts together will act to improve quality over time. Removing any one of these pieces would destabilise the whole, which implies that there is no one feature which is most valuable. However, without the mechanisms for challenge, then the other pillars may not function as intended. It is therefore important to enable sector collaboration across the pillars most aligned to challenge such as:

- Externality: this must be enabled to flourish at a sector level, such that this also forms part of the pillar of professional learning and development allowing staff to participate in these activities.
- Engagement of the governing body / board: the boards and governing bodies must understand the roles and functions of this work. Shared good practice to enhance the capacity and expertise of these individuals would be hugely beneficial.
- Learner engagement: mechanisms for learners to participate may exist, but promoting student confidence to offer sufficient challenge should be examined more closely across the framework

Whilst these pillars can exist and be evidenced by tertiary providers, to add the most value they need to also function at a sector-wide level. Consideration could be given to how providers therefore engage with each other and with good practice as part of the framework.

## **Roles and responsibilities of Medr and providers regarding the quality of tertiary education**

### ***To what extent do you agree with the proposed approach, which identifies roles and responsibilities across each pillar?***

Strongly agree.

### ***What approach to external quality assessment adds the most value in terms of maintaining quality and driving improvement?***

IHE welcomes Medr's commitment to a quality assurance system that supports both high standards and continuous improvement. We particularly value the recognition that robust and effective external quality assessment mechanisms already exist across in Wales, and across the rest of the UK, and that many providers are already subject to robust oversight through established frameworks such as those operated by the QAA and other professional, statutory, and regulatory bodies.

To add the most value, we believe Medr's approach should build on these existing systems, avoiding unnecessary duplication and ensuring that providers are not subject to overlapping or conflicting requirements. This is especially important for providers operating across UK borders or in partnership arrangements, where alignment with other regulatory frameworks is essential for coherence and efficiency.

We encourage Medr to ensure that the system remains flexible and proportionate, particularly for providers engaged in partnership or franchised provision. In such cases, quality assurance responsibilities are often shared between partners, and the Quality Framework should support the development of clear, transparent mechanisms for allocating and evidencing those responsibilities. An insufficiently flexible approach risks creating unnecessary burden and may inadvertently discourage innovation or partnership working.

We therefore support an approach to external quality assessment that is:

- risk-based and proportionate
- informed by existing UK-wide quality frameworks

- flexible enough to accommodate diverse models of provision
- supportive of shared responsibility in partnership contexts

Such an approach will not only maintain high standards but also foster a culture of improvement and collaboration across the Welsh tertiary education sector and cross border partnerships.

## **Processes for assessing the quality of education**

***The Framework sets out a range of data sets in supporting assessments of compliance with the Quality Framework. To what extent do you agree that the proposed data sources are appropriate?***

Agree.

***Are there any other priorities for consideration in relation to external quality assessment?***

No.

***The Framework sets out a range of data sets in supporting assessments of quality. To what extent do you agree that the proposed data sources are appropriate?***

Agree.

***Are there any other data that should be considered?***

Yes.

We note that it would be useful for Medr to adopt a clear and transparent approach to sharing how it forms judgements and decisions under the new regulatory system. Openly communicating what is being learned through monitoring and engagement with providers will not only align with the principles of transparency and proportionality set out in Medr's regulatory framework but will also support the sector in improving and enhancing its own practice.

By sharing insights, case studies, and examples of effective responses to conditions or interventions, Medr can foster a culture of continuous improvement and mutual learning. This will be particularly valuable for providers navigating new or evolving expectations and will help ensure that regulation is experienced as a collaborative process that supports quality and innovation across the tertiary education system.

We also note Medr's intention to apply the Quality Framework more widely across the tertiary education system. While we agree with the principle of universal application of the Quality Framework, data availability for those not directly regulated is significantly less than those required to submit systematic data. It would be beneficial to identify which data will be pulled from other sources (eg, partners), which data will be expected to be submitted when regulatory intervention is necessary, and how Medr will apply the Quality Framework differently where data is not available.

## **Intervention**

***Does the section provide clarity on how Medr will intervene to address issues relating to quality, standards and continuous improvement?***

No.

It would be useful to expand on 'The quality is considered to be inadequate if it is not adequate to meet the reasonable needs of those receiving the education or undertaking the course.' The subjective terms used here should be expanded upon to provide clarity or cross-referenced to other parts of the framework where there is further information on interventions.

## **Final reflections**

***Are there any gaps within the Framework that should be addressed?***

No.

***Are there any particular elements within the current drafting that should be emphasised or strengthened?***

Yes.

For providers who will be referring to the Quality Framework as a guide for how to meet the regulatory expectations, supplementary guidance in the form of case studies of how the framework has been applied would be valuable. This will help illustrate expectations through accessible, real-world contexts and support consistent interpretation across a diverse sector. Providers at all levels of development and maturity would benefit from the guidance, strengthening the culture of quality and compliance throughout the tertiary sector.

***If you have any further comments you would like to share regarding the Quality Framework, please note here:***

IHE welcomes the development of Medr's Quality Framework and strongly supports its comprehensive and multi-pillar design. The framework provides a robust foundation for providers to build and enhance their quality processes, and its emphasis on externality, learner engagement, self-evaluation and governance involvement reflects best practice across the UK.

Importantly, the framework's flexibility and recognition of sector diversity are key strengths. By enabling providers to align with the framework in ways that suit their mission and scale, Medr is enabling a culture of continuous improvement without imposing unnecessary burden. We encourage Medr to remain cognisant of the ways in which smaller or specialist providers may face disproportionate burdens if the system defaults to the expectations of larger institutions.

We look forward to working with Medr to further develop the framework in future consultations, supporting collaboration and shared responsibility especially in partnership contexts. The framework forms the foundation to support excellence, equity, and innovation across the Welsh tertiary education system and for those working collaboratively in the other UK nations with Welsh providers.

## Contact IHE

- For more information, or to speak to someone about this consultation response, please email [info@ihe.ac.uk](mailto:info@ihe.ac.uk)
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