

3 March 2025

Dear

**ATISN 23328 HEFCW/Medr correspondence - Cardiff University bond
Information requested**

Thank you for your request which I received on 03 February 2025. You asked for:

- All correspondence between the Welsh Government, HEFCW/Medr, and Cardiff University over Cardiff University's bond from the 1 August 2023 to 1 February 2025. Which would likely include correspondence with Darren Xiberras at Cardiff University.

Our response

I can confirm that the information you requested was included in monitoring reports provided by HEFCW and Medr to the Welsh Government. A copy of the information, removed from the full report, is enclosed. I have decided that some of the information is exempt from disclosure under section 41 Information provided in confidence, and section 43 Commercial interests, of the Freedom of Information Act and is therefore withheld. The reasons for applying these exemptions are set out in full at Annex A to this letter.

This is the only correspondence between the parties we hold that relates to the information requested.

Next steps

If you are dissatisfied with the Welsh Government's handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government's Freedom of Information Officer at:

Information Rights Unit,
Welsh Government,
Cathays Park,
Cardiff,
CF10 3NQ

or Email: Freedom.ofinformation@gov.wales

Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at:

Information Commissioner's Office,
Wycliffe House,

Water Lane,
Wilmslow,
Cheshire,
SK9 5AF.

However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Yours sincerely

Annex A

Application of exemptions/exceptions

The Freedom of information Act provides a right for anyone to ask a public authority to make requested information available to the wider public. As the release of requested information is to the world, not just the requester, public authorities need to consider the effects of making the information freely available to everybody. Any personal interest the requester has for accessing the information cannot override those wider considerations.

I have decided to withhold the following information:

- Correspondence between Welsh Government and Medr containing reference to external borrowing.

This Annex sets out the reasons for the engagement of **section 41(1)(b) information provided in confidence and section 43(2) commercial interests** of the Freedom of Information Act and our subsequent consideration of the Public Interest Test.

Engagement of **section 41(1)(b) Information is exempt information if the disclosure of the information to the public by the public authority holding it would constitute a breach of confidence actionable by that or any other person.**

The information you requested is contained in monitoring reports provided by Medr (previously HEFCW) as the regulator. Medr uses information, often of a sensitive nature, provided by higher education institutions in confidence. The relationship between Medr and higher education institutions is based on confidence that information provided for monitoring purposes is not shared more widely.

The institutions provide this information to Medr to be used as monitoring information, shared with the Welsh Government but not with the public. Release of this information would constitute a breach of confidence between Medr and the higher education sector. This would, in turn, be likely to lead to a lack of trust across the sector and ultimately lead to a breakdown of relationships between the sector and Welsh Government and/or Medr.

Engagement of **section 43(2) Information is exempt information if its disclosure under the Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).**

Release of this information would allow public access to sensitive information about higher education institutions, including information on levels of financial borrowing. Release of this information would prejudice the commercial interests of the institutions by inhibiting further borrowing and leading to a lack of trust of the security of the institution, by potential students. If student numbers were to decline, this would further escalate any existing financial issues.

Public Interest Test

Public interest arguments in favour of disclosure

The Welsh Government acknowledges the general public interest in openness and transparency that release of the information would engender. It is widely known that the higher education sector in Wales, and in the rest of the UK, is experiencing financial challenges and there is a high level of concern, particularly among staff and students. The Welsh Government recognises that there is interest to the public on the financial situations on the higher education institutions and that there are concerns that the Welsh Government is not acting to address these.

Public interest arguments in favour of withholding

Section 41(1)(b) Information is exempt information if the disclosure of the information to the public by the public authority holding it would constitute a breach of confidence actionable by that or any other person.

The withheld information contains reference to external borrowing by Cardiff University. This information was contained in reports provided by Medr to the Welsh Government for monitoring purposes. The higher education providers provide this information, often of a sensitive nature, to Medr, as the regulator. This information is provided by an arrangement of confidence between the institutions and Medr, with agreement that it can be shared with Welsh Government for monitoring purposes.

Release of this information would lead to a lack of trust within the sector towards both Medr and the Welsh Government and would lead to a breakdown of relationships, essential for effective monitoring to enable issues to be discussed and potential resolutions considered. The higher education institutions could act on this breach of confidence either on a legal basis or by withholding information in the future which would result in the Welsh Government being unable to have oversight of the situation within the sector. This would inhibit free and frank discussion between Medr and the Welsh Government and would adversely affect the higher education sector in that the loss of frankness would be detrimental to the quality of advice and lead to poorer decision making.

Section 43(2) Information is exempt information if its disclosure under the Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

The withheld information contains reference to external borrowing by Cardiff University. This information is part of a larger financial picture and would be viewed as out of context. Release of the information would prejudice the commercial interests of the university by impacting further financial opportunities. Release of the information about external borrowing may impact future opportunities for borrowing or investment and would most likely impact how the university is seen by prospective students. Reducing student numbers would only aggravate an already tenuous financial situation.

Balance of public interest test

The public interest arguments in favour of withholding the information outweigh the public interest arguments in favour of release. The argument in favour of disclosure is based on openness and transparency but this is outweighed by the risk of misinformation being disclosed in the sector. While the Welsh Government recognises the current interest of the financial situation in the higher education sector, it is vital that information continued to be shared between the institutions, Medr, and Welsh Government to allow effective monitoring and enable appropriate decision making. Release of this information would mean a breach of the confidence the sector has with Medr. The Welsh Government has therefore decided to withhold the information in relation to the request.