

Audit Committee

AC(3) 10-09 (p4) : 02 July 2009

Response to the report of the National Assembly Audit Committee's report on Collaboration between Higher Education Institutions: Committee Report (3) 05-09

We welcome the findings and offer the following response to the 4 recommendations in the report.

1. Recommendation

We recommend that HEFCW broaden the criteria governing the types of project the Fund can support to include collaboration ventures with organisations outside the HE sector, and issues guidance to the sector to this effect.

Accepted

The Welsh Assembly Government will agree updated criteria with HEFCW by July 2009, ensuring that any broadening of criteria should retain the initial Fund objective of improving the performance of higher education in Wales.

HEFCW will issue new guidance, incorporating the updated criteria, by September 2009.

2. Recommendation

We recommend that HEFCW systematically disseminate to HE institutions information on:

the characteristics of successful and unsuccessful project applications;

the outcome of all applications to the Fund, with reasons for acceptance or rejection; and

lessons learnt from projects supported by the Fund that are sufficiently complete to enable meaningful consideration of what worked and what worked less well.

Accepted

Information has already been published on the HEFCW website regarding the characteristics that might enhance or undermine the case for support of a proposal, together with the details of successful and unsuccessful bids. Henceforth the information will include reasons for rejection and the publication of project evaluations, highlighting what worked and what worked less well. The website information will be updated on a quarterly basis

A circular will be issued by HEFCW in September 2009 refreshing the arrangements for the Fund. This will reinforce the information already published on the website regarding proposal characteristics that would support/undermine the case for support.

In addition, more detailed discussions will in future be undertaken with proposers of unsuccessful bids in order to ensure clear understanding of the reasons for rejection.

3. Recommendation

We therefore recommend that HEFCW explores all reasonable means of helping institutions to overcome the barriers to increased collaboration, including:

- working with the governing bodies of institutions, as well as senior staff, to persuade them of the benefits of greater collaboration up to and including merger;
- adopting a flexible approach - such as temporary or shared posts, and early retirements - to the barriers relating to senior management; and
- in conjunction with the Assembly Government, being more prepared to use financial levers other than the Fund to stimulate collaboration activity.

Accepted

HEFCW has launched a major overhaul of its approaches for strategic engagement with the institutions, including proposals to establish a "governors' tool kit" intended to enhance the understanding of governors of their institution in its context, both within Wales and beyond. Through this, and associated developments, HEFCW aims to secure a much strengthened dialogue with governing bodies of the HEIs. Final arrangements on the proposals will be published by July 2009.

The funding of temporary or shared posts and early retirements is now an established practice in the context of the positions of senior managers

HEFCW already makes strategic use of other streams of funding to stimulate collaborative activity. In discussion with the Welsh Assembly Government, HEFCW will re-examine the operation of its models for the allocation of core funding with a view to identifying additional levers which might be applied to stimulate further collaboration activity. Specific proposals and funding steers will be finalised and implemented by December 2009.

4.Recommendation

We recommend that HEFCW commissions work to establish the feasibility of increased collaboration with English HE institutions that are close to the Welsh border.

Accepted

HEFCW have engaged with the HEFCE on the feasibility of increased collaboration with English HE institutions located close to the Welsh border. Reference is also to be included in the refreshed circular on Reconfiguration and Collaboration (September 2009) to encourage the submission of proposals for cross-border collaboration.

There is an active, but still confidential, discussion already underway between a Welsh and an English institution over closer collaboration, to which both funding councils have contributed.