

Meeting
04/07/08

Agenda Item
12

Reference No
HEFCW/08/43

1 Issue

- 1.1 HEFCW's financial contribution to Welsh Higher Education Brussels (WHEB) ceases in 07/08. The paper asks the Council to approve without discussion a further three years funding for WHEB; specifically, to contribute £43,368 in each of the years 08/09-10/11.

2 Corporate Planning Implications / Rationale for paper

- 2.1 HEFCW co-funds WHEB together with each of the eleven higher education institutions (HEIs) in Wales (the Open University has an allied arrangement in Brussels); HEFCW's contribution is currently £40k in each of the three years 05/06-07/08. The HEIs contribute £74k per annum and the University of Wales pays £1k. HEFCW's Strategic Development Fund (SDF) contributes an additional £53,250 per annum in support of a Strategic Development Officer (SDO) post (HEFCW/05/CE7 refers).
- 2.2 Final subscriptions for the current phase of WHEB's activity were invoiced in March 2008.
- 2.3 The Head of Office's contract expires in May 2009, and confirmation on future funding for WHEB is required to enable him to plan the forward workprogramme, and align it closely with the European Commission's programme to 2012; it will also help to secure staffing arrangements for WHEB in the coming period.
- 2.4 'WHEB Subscription Renewal' (Annex A), recommends that the current annual subscription rates paid to WHEB be raised once by 5.92% in 2009 (i.e. once only for the whole period) to cover Belgian inflation and estimated salary enhancement.
- 2.5 HEFCW's current Corporate Strategy recognises the importance of working effectively with WHEB in relation to key strategic areas identified within this document, such as being fully engaged in European-wide HE developments stemming from Bologna and attracting European funding to maximise the sector's contribution to economic, cultural, environmental and social well-being.
- 2.6 It is anticipated that the added value of the investment in WHEB and work to date will be capitalised upon in Phase 2 of its activity (i.e. 08/09-10/11). Recent key outcomes resulting from WHEB are annexed for information (Annex A).

3 Recommendation(s)

3.1 The Council is invited to:

- i. approve without discussion a further three years funding for WHEB; specifically £43,368 for each of the years 08/09-10/11.**

4 Timing for decisions

- 4.1 The decision is required now in order to align the Council's commitment to its contribution to Phase 2 of WHEB, with the sector's decision on its funding contribution on 26 June (at HEW Committee); a total of £79,440 per annum is being requested from the sector for this period.
- 4.2 It is also required now to enable the decision to dovetail with the Strategic Development Fund (SDF) Panel's decision to extend its funding of the WHEB SDO post for a further three years (item 7 of this Council meeting refers). The amount being requested from the SDF is £56,402 per annum.

5 Council members' interests

- 5.1 No conflicts of interests have been declared in advance of the meeting.

6 Further information

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7 Background

- 7.1 In January 2005 the Council conferred delegated authority to the Chief Executive to negotiate HEFCW's participation in the new arrangement to succeed the Wales European Centre (WEC) partnership which ceased its service in November 2005 (HEFCW/05/CE1 refers).
- 7.2 WHEB succeeded WEC and delivers a specialised service to the Welsh HE sector. It is a partnership, established with the financial support of the Welsh HEIs and HEFCW. WHEB is the only Brussels office that specifically represents an entire national HE sector.
- 7.3 WHEB was formally launched in March 2006 by the European Commissioner for Science & Research, Janez Potočnik, and the then Chair of Higher Education Wales. It is located in the Assembly Government's 'Wales House' adjacent to the European Parliament.
- 7.4 WHEB is governed by a constitution and reports to a Board which sits twice a year, on which HEFCW and HEW are represented. HEFCW and HEW have overarching responsibility for the broad strategy and policy within which WHEB must operate. WHEB produces an Annual Report for its stakeholders and it will be fully reviewed by HEW and HEFCW in Phase 2 of its operation.
- 7.5 In January 2008 WHEB hosted the HEW Committee meeting, and it is likely that the Commissioner for Education, Training, Culture and Youth, Jan Figel, will make a return visit to Wales in 2009 as a result.
- 7.6 The Council has been regularly updated on the activities of WHEB via the Third Mission Committee meeting note (e.g. HEFCW/06/12, HEFCW/06/48, HEFCW/07/43, and HEFCW/08/06 refer).

8 WHEB Phase 2

- 8.1 In February 2008, various options for the future of WHEB were considered by the WHEB Board ('Draft – Options and Priorities for WHEB II'). These included to:
 - simply stop WHEB provision
 - continue provision, taking account of lessons learned
 - expand provision

It was recommended that 'the current scale and structure of WHEB be retained from 2009 until 2012, with an approach to HEFCW for funding in the same proportion as for WHEB Phase I' (p.64).

- 8.2 The subsequent 'WHEB Subscription Renewal' (Annex A), recommends that the current annual subscription rates paid to WHEB be raised once by 5.92% in 2009 (i.e. once only for the whole period) to cover Belgian inflation and estimated salary enhancement.
- 8.3 £42,368 has been requested from HEFCW for each of the three years 08/09-10/11. £41k (which includes £1000 travel/ seminar expenses to enable HEFCW officers to support and monitor WHEB) has already been factored in

to HEFCW's Recurrent Grant budget for 08/09. An additional £2,368 per year is therefore required to take account of inflation.

- ***The Council is invited to approve without discussion a continuation of its contribution to WHEB (with an uplift for inflation), specifically £43,368 in each of the three years 08/09-10/11.***

9 Financial implications

- 9.1 The financial implications to HEFCW are £139,104 in total, i.e. a contribution of £43,368 in each of the three years 08/09-10/11.
- 9.2 An allied proposal to the SDF Panel for £169,206 in total (i.e. £56,402 per annum), to extend support for three years of a specific post (i.e. the WHEB SDO) is being reported under item 7 of this Council meeting.

10 Communications implications

- 10.1 The Council's decision will be immediately shared with the WHEB's Head of Office, the WHEB Board and HEW, and subsequently communicated to the sector and stakeholders via WHEB's own news channels (e.g. 'This Month in Brussels' newsletter).

11 Diversity and Equal Opportunities implications

- 11.1 As this is a request for funding to enable the continuation of an existing arrangement, this paper has no specific implications for age, disability, gender, race, religious belief, sexual orientation or the Welsh language.

12 Risk Assessment

12.1

RISK	ACTION TO ADDRESS RISK
<p>If the Council does not agree to take forward the proposals in the paper, there is a risk that the WHEB office will have to close due to a shortage of funds, and that it will lose its existing staff prematurely. These staff are very highly regarded by the sector, Assembly Government officials, and in the UK/ Brussels more widely.</p> <p>Various options for the future of WHEB have been considered by the WHEB Board ('Draft – Options and Priorities for</p>	<p>Council to approve the proposals in the paper.</p>

<p>WHEB II', see 8.1 above). The risks associated with stopping provision entirely are that:</p> <ul style="list-style-type: none"> - other sources of EU support available to Welsh HEIs (UK Research Office, UK HE Europe Unit) place less emphasis on creating key European contacts for academic staff; -the response of the sector to the debate on the future of the EU budget and programmes would not be informed by intelligence direct from Brussels; - relationships with key European figures such as Commissioners Potočnik and Figel could be harmed by closing the WHEB office; and - the return from the sectors' investment in WHEB will be greater if WHEB continues to maintain the new relationships created. 	
<p>Residual risks that remain even if the proposals are agreed include those to do with the liability associated with WHEB.</p>	<p>The WHEB constitution fully addresses the issue of indemnity, and the responsibility for all liability associated with WHEB's operation is shared equally by HEI members.</p>