

**Allegations concerning HEIs funded by HEFCW  
Annual Report 2008-09**

**Disclosable**

Meeting  
03/07/09

Agenda Item  
23

Reference No  
HEFCW/09/61

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**1 Issue**

This paper provides for information an annual report of allegations concerning HEIs funded by HEFCW for the financial year 2008-09.

**2 Corporate Planning Implications**

The *Corporate Governance and Compliance Arrangements* section of the Corporate Strategy and Corporate Plan 2009-10 to 2011-12 indicates that HEFCW has procedures for dealing with allegations concerning institutions funded by HEFCW.

**3 Recommendation**

Council is invited to note the allegations concerning HEIs funded by HEFCW received and actions taken in 2008-09.

**4 Timing for decisions**

The report is received by the Council at the end of each financial year.

**5 Council members' interests**

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

**6 Further information**

Contact Dale Hall (Tel 029 2068 2280; E-mail: [dale.hall@hefcw.ac.uk](mailto:dale.hall@hefcw.ac.uk))

## **7 Background**

- 7.1 HEFCW's assurance service occasionally receives allegations of financial irregularity or impropriety, mismanagement, waste and fraud in higher education institutions. There is a procedure in place to manage HEFCW's response to these allegations, *Allegations concerning institutions funded by HEFCW* (attached at **Annex A**).
- 7.2 Complaints by staff or students concerning a particular institution are to be addressed through the institution's own internal complaints and appeal procedures.
- 7.3 The Financial Memorandum between HEFCW and HEIs sets out requirements for the governance and management of institutions. Where allegations are received that these requirements are not being met, HEFCW must satisfy itself that the matter has been investigated, appropriate action taken, and relevant people informed.

## **8 Allegations concerning HEIs in 2008-09**

- 8.1 Three allegations concerning HEIs funded by HEFCW were received during financial year 2008-09, two of which were anonymous.
- 8.2 One of the anonymous allegations concerned alleged fraudulent activity at an HEI in relation to procurement by the Estates Department. Details of the allegations were put to the institution concerned which confirmed that it had received formal grievance from a member of its Estates Department on two separate matters, one of which was procurement. The institution stated that both matters had been investigated but that neither had been upheld, though the investigation had yielded some recommendations for refining the institution's current procurement processes. The view of officers was that no further action should be taken.
- 8.3 The second anonymous correspondence concerned the alleged failure of two HEIs involved in merger discussions to follow proper processes with respect to future appointment arrangements. Details of the allegations were put to both institutions, and each confirmed that none of the allegations had been the subject of any formal complaints submitted to them. One institution added that it had gone to considerable lengths to engage all staff and union representatives in its merger discussions. The view of officers was that no further action should be taken.
- 8.4 The third allegation related to a dispute on an employment issue regarding the complainant's partner and two Welsh institutions. Since personnel matters at HEIs fall outside of HEFCW's remit, our response to the complainant simply stated that the matter must be taken up directly with the institutions concerned.
- 8.5 In addition to the above specific institutional allegations, HEFCW continues to receive copies of correspondence from a former student of a Welsh HEI who is dissatisfied with their treatment on an academic matter. This has been ongoing since 2003. This complainant also continues to correspond with the Assembly, WAO, media and others. HEFCW is no longer responding to this individual's correspondence on this particular matter, though we continue to respond to Freedom of Information requests and formal complaints from the individual in accordance with our standard procedures.

***Council is invited to note the number of allegations concerning HEIs funded by HEFCW received during 2008-09***

## 9 Financial implications

There are no direct financial implications for the Council arising from this paper. However, in the event of any investigation required at an HEI, additional resource could be required.

## 10 Communications implications

There are no communications implications for the Council arising from this paper.

## 11 Diversity and Equal Opportunities implications

This paper has no implications for age, disability, gender, race, religious belief, sexual orientation or the Welsh language.

## 12 Risk Assessment

It is possible that allegations would be mishandled by the Council.

Risk	Action to address risk
Complaint or allegation against HEIs not managed in accordance with the procedures, or incorrect decision made.	<ul style="list-style-type: none"><li>• Complaints against HEFCW that cannot be dealt with informally are co-ordinated by Clerk to the Council</li><li>• Allegations against HEIs co-ordinated by Senior Institutional Assurance Manager.</li><li>• Oversight of both processes by Head of Governance, Leadership and Information, who checks for compliance with the appropriate HEFCW procedures and also consistency of decisions reached.</li><li>• Periodic reminders to staff about complaints and allegations procedures.</li></ul>