

Due Diligence Procedure

Version – v5 – February 2025

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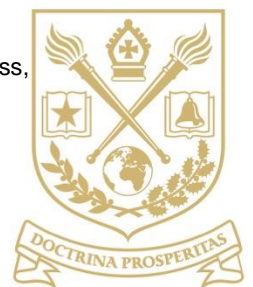
Procedure Owner – Vice Principal (Governance) and University Secretary

Parent Policy Statement – Corporate Governance Policy Statement

Public Access or Staff Only Access – Public

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Changes and Reason for Changes – Reflects move from two-stage to one-stage due diligence process, changes to overall approval process for new partnerships, removal of Pro Vice-Chancellor (Research and Innovation) from ex-officio list, change to frequency of interim due diligence.



DUE DILIGENCE PROCEDURE

Introduction

UWS is an international university, committed to building strategic partnerships with other educational institutions, organisations and private companies around the world.

Why do we carry out due diligence?

The purpose of a due diligence process is to identify any financial, reputational or legal risks associated with a proposed partnership. It is an important part of the approvals process as it may highlight key information which should be considered by the University when deciding whether to approve the partnership.

When should due diligence be carried out?

To ensure that the University's academic awards, resources and reputation are protected a due diligence exercise is required for any proposed partnership which involves the delivery of academic provision. It is also a requirement of the Quality Assurance Agency's Quality Code to carry out due diligence where a potential partnership involves a UWS programme of study, approved modules or academic awards.

The level of due diligence will be proportionate to the nature of the proposed partnership and the type of organisation involved. For example, a streamlined approach to due diligence may be undertaken where the partnership is with a UK college. This may involve the due diligence exercise being completed by Legal Services where a partnership is deemed to be low risk and the outcome being notified to the Due Diligence Group. Full due diligence must normally be conducted for private organisations in the UK and all overseas partners.

For new partnerships, due diligence should take place once the Vice-Chancellor's Executive has given agreement in principle to explore the partnership.

Due diligence is an ongoing exercise throughout the duration of any collaboration. Conducting due diligence on a periodic basis will help ensure that the University continues to collaborate with appropriate partner organisations. Interim due diligence on existing partners will normally be carried out in the 12 months leading up to a collaborative review. Legal Services will be responsible for recording the outcome of all due diligence, for notifying the School when updated due diligence is required and providing support with this process.

Additional due diligence may also be carried out on existing partners where there has been a material change in circumstances. For example:

- A The partner changes ownership, legal entity or merges with another organisation;
- There are financial issues with the partner (e.g. consistent late payment or overdue fees to the University);
- There is a significant change in the partnership e.g. there is a change in the delivery model or the country in which the programme is delivered;
- There is a proposal to expand an existing partnership e.g. add additional programmes or include new campuses;
- The partner loses a relevant accreditation or other significant concerns are raised about academic standards. It is the responsibility of the School to be aware of any such changes, including the examples above, and to notify Legal Services in a timely manner. Legal Services will advise the School what additional due diligence is required.

Who is responsible for carrying out due diligence?

Due diligence will be carried out by the Due Diligence Group. The membership and remit of the Due Diligence Group is set out in Appendix 1 to this document.

It is the responsibility of the School or department proposing the partnership to complete the appropriate Due Diligence Checklist, with input from the proposed partner, Legal Services and Finance.

What is the procedure that should be followed?

1. Undertaking due diligence at an early stage is essential. For international collaborations and college partnerships the following procedure should be followed:-

The School should first identify which Due Diligence Checklist is appropriate:

- **Due Diligence Checklist TNE** – to be completed for new TNE partnerships
- **Due Diligence Checklist FE** – to be completed for new further education partnerships based in the UK
- **Due Diligence Checklist Research** – Required for **new** partnerships which involve an academic award for research (e.g. a joint PhD).
- **Due Diligence Checklist (Change to Existing Partnership)** - to be completed for proposals to make changes to a TNE or FE partnership.
- **Due Diligence Checklist TNE (Interim Review)**– to be completed when carrying out interim due diligence on an existing TNE partner. This should take place prior to a collaborative review
- **Due Diligence Checklist FE (Interim Review)** to be completed when carrying out interim due diligence on an existing FE partner. This should take place prior to a collaborative review

The above templates are available on the Legal Services Connect page or on request by emailing legal@uws.ac.uk.

2. The School or department proposing the partnership should complete the appropriate Due Diligence Checklist, seeking input from Finance, Legal Services and the proposed partner as required. Once completed, the Checklist should be submitted to Legal Services by emailing legal@uws.ac.uk, along with any accompanying evidence (e.g. certificates of insurance, audited accounts, a CreditSafe report and references).
3. Legal Services will review the completed Checklist and evidence then apply a 'Green', 'Amber' or 'Red' Risk Rating to the proposal. Guidance on risk rating criteria are set out in the 'Due Diligence Risk Rating Guidance' which is available on the Legal Services Connect page.
4. Proposals which are assigned a Green risk rating by the Legal Services team will be submitted for consideration at the next available meeting of the Due Diligence Group. Proposals which are assigned an Amber rating may be sent back to the School for clarification/further information or may be submitted to the Due Diligence Group with certain conditions attached. Proposals which are assigned a Red rating represent a material risk to the University or do not provide sufficient information for initial scrutiny to take place and in most cases, will not be able to progress to the Due Diligence Group.

5. The Due Diligence Checklist will be considered by the Due Diligence Group who may:-
 - Approve the proposal;
 - Reject the proposal; or
 - Approve the proposal with conditions.

6. The decision of the Due Diligence Group will be confirmed to the School or department proposing the partnership, in writing.

Where can I obtain further advice and guidance?

Further advice and guidance on the due diligence process can be provided by the Legal Services team, legal@uws.ac.uk.

Appendix 1

Due Diligence Group

Membership

Chair	Vice-Principal (Governance) and University Secretary
Ex-officio	Vice-Principal (Planning and Recruitment) or nominee Vice-Principal (Internationalisation) Director of Finance Head of Quality Enhancement and Standards Team or nominee International Partnership Development Manager Head of Legal Services (or nominee)
Co-opted	Others may be invited to attend the Committee to provide expert advice as required
Administrative Support	Appointed by the Chair.
Attending	Dean of School or nominee from each School proposing a partnership for consideration.

Terms of Reference

The Due Diligence Group convened by the Vice-Principal (Governance) and University Secretary will consider new academic partnerships and collaborations. Documentation will be provided according to a University template which meets the expectations of the Quality Code for Higher Education: Advice and Guidance (Partnerships). The Group will scrutinise the following areas:

Financial Information	Director of Finance
Legal	Head of Legal Services
Quality Assurance	Head of Quality Enhancement and Standards Team or nominee
Reputational and Strategy	Vice-Principal (Planning and Recruitment) or nominee

There may also be consideration of employment and ethical issues and Equality Impact Assessment during the due diligence stage.

Frequency of meetings

The Group will normally meet 3 times per year. Completed Due Diligence Checklists must be submitted to Legal Services 3 weeks in advance of the meeting.

Reporting

Legal Services will confirm the outcome of the due diligence process to the relevant School or department in writing. A record of all proposals considered by the Due Diligence Group and their outcomes will be held by Legal Services.