

Date: 11 July 01
Time: 2.00 – 5.30pm
Venue: Committee Room 1
Title: **ELL Review – Economic, Social and Cultural Regeneration**

This paper gives the Committee the opportunity to consider the theme "Economic, Social and Cultural Regeneration" of the Education and Lifelong Learning Committees' Higher Education Review.

This is a summary of the evidence gathered on this theme by The Education and Lifelong Learning Committee during it's ongoing review.

Economic, Social and Cultural Regeneration

"Universities everywhere are emerging as our economic powerhouses in an age where innovation and technology are crucial factors for economic success."

"Universities are at once the drivers of change and economic prosperity and an essential influence on the nature of society and the quality of its thinking."

"They (universities) are the engine room of the economy."

The Committee was asked to look at higher education in Wales in terms of how it should serve the country's needs and to develop a long-term strategy for optimising the sector's contribution. In particular it should address **"the economic mission of higher education institutions and the commercial exploitation of knowledge."**

Background

Higher Education institutions had made an essential contribution to the economy of Wales though this was not always well publicised or recognised by the general public. Not only were they often the largest employers in their regions creating employment for over 23,000 people, they also brought in over £1 billion in income and were key factors in attracting inward investment into Wales. A remark made by the representative from UNISON graphically illustrated the contribution that HEIs made to the local economy. He noted that if Lampeter were to close, it would have a greater impact on the local economy than the recent closures announced by Corus.

HEIs undertook basic and applied research that benefited local and national companies in the

private and public sectors. They offered training, advice and consultancy services to large organisations and SMEs. They provided a pool of skilled graduates for business/industry and lifelong learning opportunities for the local population. They also provided major cultural facilities in sport, the arts and leisure that again benefited the wider community. Finally, they contributed to the health and well-being of the population through the education and training of medical staff, health education programmes and medical research.

There was a realisation that HE must not be too parochial in its approach and that by serving the needs of the global economy, the needs of particular regions of Wales could also be met. NEWI for example pointed out that in a survey of local businesses over 40% were multi-national. The WDA stated that the presence of HEIs in particular regions in Wales has been crucial in attracting inward investment with international companies such as LG, International Rectifiers choosing to set up in Wales.

Issues discussed

HE's role in economic regeneration

The WDA's view was that HE must be "*a primary ingredient in the generation, transfer, application and commercialisation of knowledge and access to specialist facilities*". HE in Wales was already big business and a major source of workforce skills. However, Wales was lagging behind in knowledge economy indicators such as commercial research or new product development.

There was a need for high quality advanced research to drive economic regeneration and to build a bridge between HE research and small enterprises. Although there were many existing schemes to regenerate the economy, they needed better co-ordination and longer-term funding in order to be more effective. Such schemes needed to engage partners from outside HE.

Sir David Rowe-Beddoe, Chairman of the WDA stated that HE Wales needed to build on existing schemes and to develop structures and collaborations to provide an all-Wales approach, rather than its present fragmented response, in its contribution to economic development. It needed to be more proactive in researching, analysing and meeting the needs of business and in encouraging a culture where staff wanted to become involved in wealth creation activities.

HEW listed many existing instances of technology transfer including Teaching Company Schemes, Centres of Expertise, the Wales Spin-Out programme, consultancy services to SMEs such as the HELP Wales initiative, the Training and Consultancy Service schemes, etc. All HEIs in responding to the questionnaire accepted the role they could and already did play in contributing to regeneration activities. However, they made a powerful plea for a third funding

stream to support these activities in order that they should not have to divert resources away from the core activities of teaching and research.

Skills Shortages

The WDA spoke of the urgent need for HE in Wales to help develop graduates with managerial and entrepreneurial skills. Initiatives such as the Knowledge Exploitation Fund and the Entrepreneurship Action Scheme had already been introduced to address these issues.

HEW agreed that Wales badly needed innovators and entrepreneurs and that HE had a part to play in developing high level skills. Examples of HE activity included incubator units such as the Swansea Technium project, Cardiff University's Innovation Centre and the University of Glamorgan's Graduate Teleworking Initiative and "e-college" projects. All of these were designed to encourage entrepreneurship and provide support for SMEs.

The CBI suggested a targeted approach to funding to develop teaching in shortage subject areas. It saw the immediate skills deficit as people with intermediate technical and employable skills.

Fforwm felt that local FE colleges were more in tune with the needs of local employers and that partnerships between HE, FE and business/industry could best serve the skills needs of Wales.

The Vocational Nature of Courses

Many HEIs pointed out how important were their links with representatives from business/industry whether it be in course development/review, the use of real case studies, or offering work placements and sandwich routes. The HEIs cited many examples of these links.

Disciplines such as medicine and nursing could not be followed other than by a vocational route and there were few degree schemes in engineering, science, law or business that did not incorporate a strong work-based element. *"It is vital that programmes are flexible and relevant to the career trajectories of all those participating."*

HEIs noted the good track record of Welsh HE in responding to the demands for embedding transferable skills into the curriculum to develop graduates who were adaptable and innovative. HEFCW required HEIs to spell out the vocational aspect of their work in their Work Experience and Employability Plans.

It was acknowledged that HE needed to strengthen its links with employers even further to ensure that courses were relevant, up-to-date and reflected market demand. These partnerships could include resource sharing (personnel, data, facilities), job shadowing and more involvement with live projects. However, on their part, employers needed to articulate

clearly what specific skills and experience they were looking for in a graduate.

It was not always possible to marry these requirements one hundred percent with those of the professional bodies **and** with the educational philosophy behind the courses. *"There may well be a potential conflict between academic needs in terms of the curriculum and the needs of employers."* Some respondents argued the case for education for its own sake and said HE should not regard preparing people for work or the changing needs of national/international economies as its primary role.

"Funding and other policies for higher education should give proper weight to the needs of the individual, alongside those of the economy, the future labour market and the nation in general".

"Education should provide a basis for lifetime learning; too often it is primarily seen as providing a favourable entry point to the labour market."

Social and Cultural Regeneration

Regeneration activities in HE were not confined to technology alone. Professor Robin Williams for HEW referred to the role of universities not only in scientific/technological advances but also in stimulating the ideas and imagination in science, the humanities and the arts. As the National Assembly's recent review of arts and culture had recognised *"Culture is at the heart of our national enterprise"* and Welsh HEIs were acutely conscious of their contribution to this cultural life. They offered courses in drama, film, music, art, Welsh language; facilities such as sports centres, learning resource centres, theatres and galleries; and finally extra-mural and community courses which often served as a stepping stone into HE.

Institutions were concerned that, whilst they were aware of the importance of continuing these activities – particularly in rural areas – they could not be expected to do so from the traditional HE budget. In recognising this contribution to cultural enrichment *"HEW would propose that funding and other policies for higher education should give proper weight to the needs of the individual, alongside those of the economy, the future labour market and the nation in general".*