

Press release

Date: 10 July 2008

Title: Universities mean business

Wales's universities and colleges continue to boost the economy more and more strongly, UK-wide figures published today show.

Higher education institutions (HEIs) not only act as a magnet for international investment and talent, they also generate income within Wales and its communities.

New figures for the 2006/07 academic year show that universities and colleges in Wales continue to improve across a range of indicators of economic and social contribution, using their knowledge to create new companies, offering consultancy or training services and carrying out research using public and private funding.

The figures have been published as HEFCW returns on 10 July to give further evidence to the National Assembly for Wales's Enterprise and Learning Committee's inquiry into the economic contribution of higher education.

Education Minister Jane Hutt said: "The higher education sector in Wales makes a vital contribution to the Welsh economy. Our universities and colleges are achieving consistent excellence in many of their activities, serving their local communities as well as performing on the national and global scale. I am delighted that Wales' higher education establishments are continuing to exceed expectations and I wish the sector continued success."

Chief Executive of HEFCW, Professor Philip Gummert, said: "We have seen remarkable growth over the past seven years, with Welsh universities and colleges continuing to exceed expectations for a sector its size. However, we should not be surprised by their contributions to the economy and society in this way. For example, Wales was one of the first UK regional development agency areas where HEIs engaged with all the Sector Skills Councils, resulting in a number of UK-leading collaborations.

"Many higher education institutions have also done substantial work with high-profile businesses. We will continue to encourage universities and colleges to collaborate to help create initiatives of sufficient scale and scope."

Welsh higher education accounts for some 5% of the UK total, yet:

- In the 2006/07 academic year, Wales accounted for 10.1% of income from collaborative research involving both public funding and funding from business, outperforming 7 out of 9 English RDA regions. Welsh income generation has increased in this area by more than 77% since 2001/02 and in 2006/07 reached over £67.7 million.
- Wales accounts for 7.3% of UK income from consultancy contracts with small and medium-sized enterprises (SMEs) and 6.3% of total UK contracts. In 2001/02, Welsh HEIs handled 780 consultancy contracts; in 2006/07 they handled 3,658.
- Wales has 6.4% of the UK higher education sector's cumulative portfolio of active patents, again outperforming all English RDA regions with the exception of London and the South East. Welsh patent activity has increased significantly since 2001/02.
- In 2006/07, Wales generated 13.1% of all higher education business spinout and staff start-up activity and 10.7% of all UK graduate start-ups. Since 2001/02 the number of spinout companies and staff start-ups which have survived for more than three years has more than doubled, with the estimated turnover of all active

firms now reaching over £41.8 million compared with just over £22 million in 2001/02.

The seventh annual *Higher Education – Business and Community Interaction (HE-BCI)* survey report is a joint publication by the Department for Innovation, Universities & Skills (DIUS), and the higher education funding bodies in England, Wales, Scotland and Northern Ireland.

Notes:

The full report will be available on the Higher Education Funding Council for England's website: www.hefce.ac.uk/ under 'publications'.

- **The Higher Education Funding Council for Wales** (HEFCW) is an Assembly Government Sponsored Body responsible for administering funds made available by the Welsh Assembly Government in support of:
 - the provision of education in higher education institutions (HEIs);
 - the undertaking of research by HEIs; and
 - the provision of prescribed courses of higher education at further education institutions.

HEFCW is also responsible for accrediting providers of initial teaching training for school teachers and commissioning research to improve the standards of teachers and teacher training.

In addition to its funding responsibilities, HEFCW provides advice to the Welsh Assembly Government on the funding needs, aspirations and concerns of the higher education sector in Wales.

Contacts for further information

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