

Cylchlythyr

Circular

Regional Strategies for the Planning and Delivery of Higher Education: Funding and Support

Date: 23 July 2010
Reference: W10/28 HE
To: Heads of higher education institutions in Wales; Principals of directly-funded further education colleges in Wales
Copied to Principals of all other further education colleges in Wales; post-16 providers in Wales; Local authorities; Sector Skills Councils; employers' representative groups and other interested parties
Response by: 7 January 2011 [funding proposals]
Contact: Name: Celia Hunt/Dr Ewen Brierley/Liz Heal
Telephone: 029 2068 2224/029 2068 2291/029 2068 2231
Email: Celia.hunt@hefcw.ac.uk
Ewen.brierley@hefcw.ac.uk
Elizabeth.heal@hefcw.ac.uk

This circular gives further information, additional to that in Circular W10/16HE, about the funding and support which will be made available to facilitate the development and implementation of regional strategies.

This document is available online, in large print, Braille, on CD and on audio CD and cassette. Should you or someone you know require this in an alternative format, please contact us on (029) 2068 2225 or email info@hefcw.ac.uk.



Introduction

1. This circular gives further information, additional to that in Circular W10/16HE, about the funding and support which will be made available to facilitate the development and implementation of regional strategies.

Background

2. Circular W10/16HE set out *Guidance for the Submission of Regional Strategies for the Planning and Delivery of Higher Education*. We invited one strategy from the partners in each of the three regions identified in the circular. The strategies should be submitted by 30 November 2010. The strategies should cover the following:
 - A Vision, and aims and objectives, for the strategy;
 - B Audit of current course/module provision including areas of duplication;
 - C Identification of key progression routes;
 - D Identification of any new higher education provision required within the region;
 - E Identification of opportunities for more coordinated widening access activities;
 - F Identification of opportunities for joint regional work with employers;
 - G Identification of collaborative capital developments and shared services;
 - H Governance
3. The circular signalled the publication of further information to assist the development and implementation of the strategies in three areas:
 - defining need (a 'toolkit' of regional information) (signalled in paragraphs 14-16 of that circular);
 - support (including initial meetings and consultancy support) (paragraphs 45-51); and
 - funding (paragraphs 52-54 of that circular).

Supporting data for defining need

4. We expect the strategies to identify the need for any new higher education provision required within the region. Regional partners will be expected to identify any perceived gaps in provision with the aim of achieving a better matching of regional need against provision.
5. We invited providers in Circular W10/16HE to work together to start identifying need, using available quantitative and qualitative information

and consulting with local stakeholders, including employers, within the region. The circular noted that we had undertaken some work on defining 'need' or demand looking at two types of evidence: an analysis of higher education students (including cross-border flows) against areas of population within Wales; and drawing upon work undertaken by the Higher Education Funding Council for England (HEFCE) to develop a 'common evidence base' for assessing proposals for new higher education provision. We noted that we would publish our analyses as a 'toolkit' to assist the work in each region. This document includes our 'toolkit' of regional activity data and some additional sources of information to assist the regional partners in developing their strategies.

Regional Activity Data

6. Data presenting the supply of provision at Welsh higher education institutions (HEIs) and directly-funded further education colleges (FECs) in academic year (AY) 2008/09 (Annexes B-F)¹, Higher Education Business and Community Interaction Survey data 2008/09 (Annex G) and the breakdown of HEFCW funding by region in 2009/10 (Annexes H-J) has been provided. The following data are attached as annexes:
 - a) The breakdown of providers by region (**Annex A**);
 - b) Ratio of higher education student full-time equivalents (FTEs) (at Welsh HEIs and directly funded FECs) to 1,000 head of population, by level and mode, type of provider and domicile plus cross border flows, 2008/09 (**Annex B**);
 - c) Open University in Wales credits by Census Area Statistical (CAS) ward, 2008/09 (**Annex C**);
 - d) Ratio of higher education student FTEs (at Welsh HEIs and directly funded FECs) to 1,000 head of population by principal Joint Academic Coding System (JACS) code and region 2008/09 (**Annex D**);
 - e) Enrolments on foundation degrees 2008/09 by region (**Annex E**);
 - f) FE College Leaver destinations: Number of distinct learners leaving (only most recent learning programme left) in academic year 2008/09 by destination, STEM (Science, Technology, Engineering and Mathematics) and Non-STEM by region (**Annex F**);
 - g) Higher Education Business and Community Interaction Survey – Part B data 2008/09 by region (**Annex G**);

¹ Annexes B – F do not present the supply of provision for Welsh domiciles nor do they present the demand or need for higher education in Wales

- h) HEFCW recurrent funding allocations 2009/10 presented by region (**Annex H**)
- i) HEFCW strategy funding allocations 2009/10 presented by region (**Annex I**)
- j) HEFCW reconfiguration and collaboration/strategic development funding where broken down by region, AY 2009/10 and FY 2009-10 (**Annex J**).

Additional sources of Regional Activity Data

7. We also identify in this document links to other sources of data which may assist partners in developing their strategies.
8. **HEFCW data.** Regions may wish to consult the HEFCW website for sources of information at institutional level which may be aggregated by region. Items of particular interest in relation to the regional strategies include participation data² and the Governors' Toolkit.³
9. **HEFCE data.** An attempt at calculating unmet need for higher education has been derived by HEFCE in their Common Evidence Base which was developed to support their New University Challenge initiative⁴. Information is provided for both England and Wales.
10. **HEIDI.** In response to our consultation we have provided only a limited range of regional data. Providers may therefore wish to utilise the Higher Education Statistics Agency (HESA) Higher Education Information Database for Institutions (HEIDI)⁵ which will allow regional profiles to be prepared using HESA data.
11. **StatsWales.**⁶ This provides a broad range of statistical information about Wales published by the Welsh Assembly Government. The information is prepared to help government, the National Assembly for Wales and the wider community. Statistics and their interpretation cover a wide range of topics including health; agriculture; the economy and transport (see also references to specific information on StatsWales below).
12. **Learning and Skills Observatory.** The Welsh Assembly Government publishes labour market information (LMI) on the Observatory, which was

² www.hefcw.ac.uk/about_he_in_wales/statistics/statistics.aspx

³ www.hefcw.ac.uk/working_with_he_providers/leadership_and_governance_management/info_for_governors.aspx

⁴ www.hefce.ac.uk/widen/challenge/evidence/

⁵ www.heidi.ac.uk/

⁶ wales.gov.uk/topics/statistics/?lang=en

originally designed to meet the needs of FE Colleges.⁷ The LMI is a series of web based reports on StatsWales that provide interactive and current Labour Market Intelligence summaries at a national, local authority and Welsh Assembly Government Department of Children, Education, Lifelong Learning and Skills (DCELLS) area level. Whilst this covers four geographical areas, two of these equate with one of the regions we have established and thus the LMI should provide assistance to partnerships. The LMI is automatically updated as data are updated on StatsWales by the Welsh Assembly Government Statistical Directorate.

By clicking onto the relevant map for a particular area, users can access data on demographics, skills, training, education, economics and labour force. This data is produced in the form of charts or short tables. By clicking the links where indicated, users may also access data in the form of spreadsheets directly within the StatsWales website. As stated above, the LMI is stratified into Wales, regional and local authority data. Navigation between these sections is possible by clicking on the appropriate link at the top of the page.

13. **Sector Skills Councils.** SSCs prepare labour market information related to their sectors. This may assist regions particularly in relation to the identification of market gaps. SSC websites can be accessed through the Alliance of Sector Skills Councils.⁸
14. **Pupil Destinations.** Information about the destinations of pupils is published on a regional basis. The link below provides connections to the Careers Wales website, including reports on progression, and to the StatsWales website which provides tables of data on progression: the table on higher education is 'Pupils continuing in full-time education by cohort'.⁹

Support

Initial Meetings

15. At the request of Higher Education Wales, HEFCW is convening initial meetings between senior representatives of all directly-funded institutions within each region. The meetings will be chaired by the HEFCW Chief Executive. The dates for the meetings are now confirmed as follows:

South West Wales: 30 July 2010 (location: Trinity University College, Carmarthen)

⁷ www.learningobservatory.com/lmi-home

⁸ www.sscalliance.org/

⁹ wales.gov.uk/topics/statistics/headlines/post16ed2009/hdw200904081/?lang=en

South East Wales: 2 August 2010 (location: University of Wales Institute, Cardiff)

North and Mid Wales: 5 August 2010 (location: Aberystwyth University)

Consultancy Support

16. As signalled in Circular W10/16HE, HEFCW has commissioned consultants to support each of the regions in developing their strategies. A copy of the original specification for the work, excluding its annexes, is attached at **Annex K**. Following a tendering process, we have awarded the contract to the Francis Group and OPM, as part of the 2020 Delivery Consortium. The contract commenced on 19 July 2010.
17. The consortium is working to the following principles:
 - Use and build on existing quantitative and qualitative information about the higher education and further education sector in Wales;
 - Work with regional leaders to energise plans for change that bring long terms benefits for Wales;
 - Develop awareness and understanding of the consultants' role as 'critical friend' so that ownership of plans is not negated;
 - Carry out deliberative stakeholder engagement to inform regional strategic development;
 - Provide ongoing communications/dialogue on progress, timescales, risk management and issues and desired outcomes;
 - Clarify roles, responsibilities for organisations and individuals;
 - Provide clarity on the leadership role, building ownership and regional strategic understanding;
 - Share learning and good practice.
18. A regional lead will be allocated by the Project Team to each of the regions. There will be pan Wales support in gathering quantitative and qualitative data and in relation to Welsh language issues. The consultants will attend the HEFCW-convened initial meetings. We will expect the HE providers to work constructively with the regional leads. The consultants will be drafting an interim report on progress in each regional partnership for HEFCW by 10 September 2010.

Strategy development costs

19. As noted in the guidance circular, £10k will be available to each region to cover the costs of travel and meetings to support the development of the regional strategies. Staff time must be covered by the institutions involved. This sum will be payable by HEFCW to the lead institution for the region, to be identified in the September interim report. This sum will be paid in October 2010 subject to a satisfactory interim report on

progress in each region. Lead institutions will be accountable for providing a breakdown of expenditure to HEFCW in due course.

Funding

20. The guidance circular identified a number of sources of funding to support the regional strategies. This circular gives further information about two of these:
- Funded credits generated by top-slicing from those currently available (including proposals both for additional funded credits and formulaic redistribution of provision within the region); and
 - Regional Initiatives Fund, which will be available to support proposals for regional projects, including for shared services and rationalisation of provision.

We expect to publish information in parallel about additional funded credits to support new Foundation Degree provision to be offered by regional partnerships.

Funded Credits

21. We plan to top slice up to 5% of funded credits for AY 2011/12 – a total of around 390,000 credits or £11.6m (excluding quota subjects and performance element), to redistribute to regions. The final decision about the amount to be topsliced will depend on further information about the budget for FY 2011-12, as well as any implications for the 2010-11 budget from any in-year reductions. However, at this stage HE providers should assume that institutional allocations will be reduced by 5% to provide funded credits for reallocation through the regions. This will be cost neutral at the overall HE system level, with the intention that all credits will be reallocated. This will take place in two ways:

(a) Redistribution.

There will be an additional redistribution exercise in AY 2010/11 in relation to 2011/12 funded credits. Institutions will be invited through that process to redistribute numbers between partner institutions in the region in order to rationalise provision between them and reduce competition. One redistribution proposal will be invited per region, based firmly on section B of your regional strategy. A proportion of the top-sliced credits will be allocated to each region. Further information about this redistribution exercise will be published before the end of the year.

(b) Regional Proposals for additional funded credits

Regions are invited through this circular to submit a single proposal for the remaining top-sliced funded credits for providers within the region. This proposal should be based firmly on section D of your

regional strategy. A template is included at **Annex L** to this circular, which should be submitted by Friday, 7 January 2011. Proposals will be assessed by the HEFCW Reconfiguration and Collaboration Committee in February 2011. Funded credits will be confirmed in the recurrent grant circular for 2011/12 and will be rolled in to the core in subsequent years. Proposals will be assessed against the following criteria:

- Convincing evidence from within the region of the market demand for the new provision, including from employers;
- Evidence that the gap in provision has been identified through the audit of provision within the region;
- Extent to which the new provision will meet *For our Future* and HEFCW Corporate Strategy priorities;
- Evidence to demonstrate the sustainability of the provision;
- Evidence of availability of associated infrastructure.

Regional Initiatives Fund

22. HEFCW has established a new line within the Strategic Implementation Fund (SIF) Strategic Development Fund to support initiatives within each region. Regions are invited to submit a single proposal for projects at regional level, including for shared services and supporting rationalisation of provision. The template at **Annex L** should be used to submit the proposals, which should be submitted by Friday, 7 January 2011 (at the same time as the proposals for funded credits). The proposals should be based firmly on your regional strategies, including section G. They will be assessed by the Reconfiguration and Collaboration Committee against the following criteria:

- Evidence in the regional strategy of the need for the proposed project;
- Alignment with the objectives of the regional strategy;
- Extent to which the project will meet *For our Future* priorities and HEFCW Corporate Strategy;
- Additional sources of funding to support development;
- Evaluation of alternatives (cost-benefit analysis).

Impact Assessment

23. We are committed to making equality a core issue in developing and implementing policies and services, and evaluating and refining those approaches to advance the equality agenda. We have a legal responsibility to assess the impact of our policies on equality groups and to set out how we will monitor or address any possible negative impact.

The outcome of our equality impact assessment of this guidance will be available on our website, www.hefcw.ac.uk.

24. A similar responsibility rests on the institutional partners within the region to assess the impact of their proposals on equality and diversity groups.

Submissions

25. Proposals (one per region) for the above funding: additional funded credits and/or regional initiative funding, using the template at Annex L, should be submitted to Craig Brett Craig.Brett@hefcw.ac.uk by **Friday, 7 January 2011**. One copy should be submitted electronically, with a signed hard copy submitted in parallel.
26. Regions are reminded that the regional strategies are due for submission by 30 November 2010. These will inform the consideration of funding proposals.
27. Any queries about this circular should be addressed to Celia Hunt, celia.hunt@hefcw.ac.uk (029 2068 2224), Dr Ewen Brierley, ewen.brierley@hefcw.ac.uk (029 2068 2291) or Liz Heal elizabeth.heal@hefcw.ac.uk (029 2068 2231).