

19 February 2004

Wales Spatial Plan Unit
Welsh Assembly Government
Cardiff
CF10 3NQ

Dear Sir/Madam

Response from the Higher Education Funding Council for Wales (HEFCW) to the consultation document, *People, Places, Futures: The Wales Spatial Plan*

Thank you for the opportunity to comment on the formulation of a spatial plan for Wales. I regret the lateness of our response, but my colleague, Roger Carter, e-mailed you on the 30 January to alert you to the fact that the late receipt by HEFCW of the consultation documents made it impossible for us to meet your original deadline.

Before responding to the specific questions asked, we would like to offer the following general observations:

- (i) We welcome the centrality of education and training to this plan and, in particular, the recognition of the role that the higher education (HE) sector has to play in delivering many of its objectives. However, we feel that the role Wales' higher education institutions (HEIs) can play in contributing to the vision highlighted on page 1 of the plan has been considerably understated.
- (ii) Whilst the role of HEIs in delivering higher level education and skills is clearly acknowledged, their wider contribution to the society, economy and culture of Wales is not. Page 21 states that Wales' universities "provide employment, a skills base, centres for research and development, and an additional base for community activity and services." In fact, they do much more. We contend, therefore, that it is misleading to identify only five of Wales' thirteen HEIs in figure 4 on page 20, thereby diminishing the role of the other eight both within their immediate 'area' and across Wales as a whole.

For example, on the economic front, HEIs themselves are key contributors to the Welsh economy. A study conducted by the University of Strathclyde* in May 2002 showed that across the UK the HE sector:

- has an overall income of £12.8 billion pa;
- generates gross export earnings of £2.7 billion pa;
- employs 1.4% of the UK's total workforce

- in 1999/2000 generated almost £35 billion of output and created 563,000 jobs;
- total personal, off-campus expenditure of overseas students accounted for 9.5% of all UK receipts from overseas visitors to the UK.

Specifically within Wales, work undertaken by Professor Stephen Hill at the University of Glamorgan has shown that the HE sector annually contributes more than £1 billion in gross expenditure to the Welsh economy.

- (iii) With regard to *Increasing and Spreading Prosperity* (chapter 3.3), it is misleading to highlight in figure 4 only those HEIs that host CETICs. Knowledge transfer is not the prerogative solely of research intensive universities, nor is it confined only to science, engineering and technology departments. Wales' post-1992 HEIs also have much to contribute: for example, it should be borne in mind that the creative industries, which are particularly underpinned by post-1992 institutions, contribute over £650 million pa to the Welsh economy. Whilst the CETICs help to attract large businesses to Wales, other initiatives like HELP Wales foster links between SMEs and HEIs (particular the more vocational, post –1992 institutions) to their mutual benefit. The latest Higher Education-Business Interaction Survey, published earlier this month, and covering the entire UK, shows that the whole Welsh HE sector is punching above its weight in terms of the number and value of contracts between UK HEIs and SMEs.
- (iv) The plan also does not take account of the *civic role* that each HEI plays within its own area. For example, in terms of non-economic activities, HEIs contribute to the creation of sustainable communities (chapter 3.1) *valuing our environment* (chapter 3.2) and *achieving sustainable accessibility* (chapter 3.40 through such diverse activities as:
- the interactions between HEIs and local decision-makers, such as local authorities, NHS trusts, CCETS and regional economic fora through input into each other's corporate plans, membership of each other's committees and working groups, inter-organisation staff secondments etc, which lead to better informed decision making at both a *zonal* and *national* level;
 - creating better informed and healthier citizens not just through traditional teaching and research activities, but also through such activities as free public lectures, exhibitions, provision of non-accredited courses at community venues or via distance learning, the free hire of meeting rooms and other facilities to community and charitable groups for health promotion and other purposes, relevant publications and website information and their widening access strategies;
 - promoting Welsh language and culture through language courses, opportunities to study through the medium of Welsh, publications in Wales,

translation services, cultural events and services to business offered through the medium of Welsh;

- providing such community amenities as theatres, concert halls, recording studios, exhibition space, botanical gardens, museums and sport and fitness facilities; and
- contributing to cleaner, greener environments via their environmental strategies, associated promotional campaigns (often with local partners) and, where appropriate, through their research activities (eg at the University of Wales Bangor's Institute for Environmental Science).

(v) All of the institutional activities referred to above fall under the umbrella of "third mission" and the HEFCW is committed to introducing from 2004/05 a permanent and sustainable stream of funding to support HEIs in their third mission activities. We are shortly to go out to consultation on our new funding proposals, which are designed to encourage HEIs to become more proactive in articulating the many contributions that they are already making to society and the economy in Wales.

(vi) The Council's commitment to the creation of a permanent and sustainable stream of third mission funding is reflected in its latest Corporate Plan and Strategy (to be published shortly) under the strategic aim "*Benefiting the Economy and Society [through] delivering more productive relationships between HEIs and the public and private sectors, other agencies and local communities*". This strategic aim derives in turn from the Council's remit from the Welsh Assembly Government and the vision set out in *Reaching Higher*, the Assembly Government's Strategy for the Higher Education Sector in Wales to 2010. The Council's latest remit letter from the Assembly, like all other ASPB remit letters, also draws attention to the four priority outcomes of *Wales: A Better Country*:

1. helping more people into jobs
2. improving health
3. developing strong and safe communities
4. creating better jobs and skills.

The Assembly asks the Council to act in accordance with these priorities, and in so doing reminds it to be mindful of the following themes that first appeared in *The Learning Country* and which are central to both *Reaching Higher* and *Wales – A Better Country*:

- ensuring that education and training contributes to personal fulfilment, wealth creation, social cohesion and cultural enrichment; and
- enabling Wales to attract high value employment.

We would suggest that these directives to the Council from the Welsh Assembly Government clearly underline the pivotal role that the higher education sector can and will play in developing Wales, and that this needs to be brought out more clearly in the Spatial Plan.

- (vii) Finally, before moving onto your specific questions, we would like to draw your attention to an annual publication produced by the HEFCW jointly with the National Council-ELWa entitled *Higher Education, Further Education and Training Statistics in Wales*. Much of the information within this publication lends itself to analysis at regional and sub-regional level and may be of interest to the Wales Spatial Plan Unit.

If you would like to discuss our response in any more detail, than please contact our Head of Economic Development, Roger Carter on 029 2068 2226.

Yours sincerely

Phil Gummett

cc Derek Adams
Ron Loveland

CONSULTATION QUESTIONS

1. Are there any other strategic spatial challenges, which the Wales Spatial Plan should address? Please offer supporting evidence.

Overall the plan contains a comprehensive assessment of the spatial issues that Wales faces.

2. Do you think the proposed actions in the National Spatial Perspective (Wales & zone level) are the right ones to move sustainable development forward?

Whilst we have no disagreement with the actions proposed, we would remark that the issues highlighted in this document are not unique to Wales. Sustainability is an issue that needs addressing on a global scale and we would agree with the observation of the National Council-ELWa that addressing it properly means “questioning fundamental assumptions about the way modern society functions and challenging a wide variety of powerful vested interests.”

3. What do you think are the most important aspects the collaborative work in the areas should focus on?

We would argue that the priority here should be to ensure that all key players to participate in this collaborative work are identified at the outset. As our covering letter has already indicated, we do not believe that the full role HE has to play in addressing the issues raised has yet been fully recognised. To do so would improve the “joined up” nature of the solution to the challenges set out in the plan.

4. Do you agree with the suggested topics for future collaborative work in each area? Are there others? Please state why these are important.

See answer to 3 above.

5. Are the proposed actions by the Welsh Assembly Government the right ones to turn the plan into reality and to firmly embed spatial considerations into our work?

We support the actions proposed but to ensure that they are effectively implemented means joined up thinking, working and exchange of intelligence, research and information on a scale that is currently not happening in Wales. As before, we would also argue the importance of identifying all key partners and players from the outset.

6. How can the work best be taken forward?

Should there be area strategies that cover a comprehensive range of topics, using the same framework in each area, or

Should the focus of the work be on individual spatial issues that are particularly relevant in an area, or

Should there be a combination of both, for example a broad generic framework within which the focus could be on specific issues?

Wales already suffers from an over-proliferation of initiatives at both national and local level. Success will lie in developing a single overarching strategy that takes account of the differing needs and priorities of different stakeholders right across Wales. We would also argue that readers of the plan need to see more clearly how it sits in relation to other key Assembly strategies such as *A Winning Wales* and *Reaching Higher*.

7. What do you think is the best mechanism for collaborative working?

Is there a need to set up new groups to lead this work either on an area or a thematic basis or a combination of both, or

Can this be achieved through existing working groups / partnerships?

Should there be fixed or variable membership of these groups? Who should be involved?

Again, Wales already has a plethora of such groups. The key challenge must be to achieve more joined up working between them all (see comments at 5 above). The HEFCW has already taken steps towards this end with the National Council-ELWa and the Welsh Development Agency in the form of a joint action plan underpinned by strategic and operational working groups. We will look to play the Spatial Plan into our future deliberations.

8. Do you agree with the suggested approach for the sustainability appraisal of the plan?

Yes – as long as all appropriate constituencies are represented on the proposed external review team.

9. Are there any other comments you wish to make on the Wales Spatial Plan?

Only those already contained within our covering letter.