

15 July 2004

Stephen Curtis
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Cardiff
CF10 3NQ

Dear Mr Curtis

Response from the Higher Education Funding Council for Wales (HEFCW) to the Consultation Document on the Skills and Employment Action Plan 2004

Thank you for the opportunity to participate in the above consultation. I confirm that we are happy for the Council's response to be made public. At the direction of the HEFCW and ELWa Boards, we have consulted with colleagues in ELWa to align our responses. I should perhaps also point out that our response reflects current circumstances and has not been modified in the light of the First Minister's announcement on 14 July about the future of ELWa and the WDA.

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 its delivery. Overall, however, we feel that the role Wales' higher education institutions (HEIs) can play in contributing to the vision set out in the Ministerial Foreword has been considerably under-stated. This sense is further reflected by the intermittent references to HE in the component parts of the plan.
- (ii) *Skills and Employability* is one of the three key strategic areas in which the Minister for Education and Lifelong Learning and Minister for Economic Development and Transport have specifically remitted HEFCW, ELWa and the Welsh Development Agency (WDA) to work more closely together, and joint strategy and operations groups are now in place to deliver this new approach. We are, therefore, surprised that whilst the draft plan assigns various activities and responsibilities to the HEFCW, it is not cited as a key partner in the Ministerial Foreword. Neither is its Corporate Plan listed amongst the Related Strategies and Plans in Annex 1. However, many of the activities identified in SEAP will fall into the joint working remit of the WDA, ELWa and HEFCW and it will be important to ensure that in future there are effective lines of communication between the Future Skills Wales (FSW) Steering Group and the new WDA, ELWa and HEFCW joint operations group. This will be facilitated by the fact that all three organisations currently have at least one representative that sits on both groups.

cont

- (iii) Still in regard to working with partners, you will observe that our response makes several references to the Council's wish to better its understanding of the needs of employers and businesses in Wales. We are especially keen to progress this via closer links with the emerging sector skills councils (SSCs) as they increasingly engage with the Welsh agenda and via participation in the newly created FSW Employment Forum. Whilst we fully acknowledge the need for SEAP to place so much emphasis on needs at the lower end of the skills spectrum, we believe it is equally important to consider needs at the higher end of the spectrum. In this respect, it is also important for the SEAP to differentiate between the skills needs of the individual and the skills needs of employers. It is in the context of the latter that HEFCW is so keen to communicate with employers and their representative bodies - such as the SSCs. The University Vocational Awards Council has described the UK's National Occupational Standards as "*one of the most comprehensive and sophisticated systems of competencies in the world*" and states that these standards "*provide ready-made tools for anyone designing an HE vocational learning programme to meet employer demand.*" However, to date National Occupational Standards have been under-used in higher education. In considering how best "*to make the supply of learning match the needs of the economy and of firms in Wales*" (Sections A & B of SEAP refer), it is important to consider how such UK standards might be best deployed in Wales. Moreover, whilst these standards feed into deliberations related to HE provision - such as the possible development of graduate apprenticeships and/or foundation degrees in Wales - they also cut across the post-16 and HE sector boundary, eg in terms of FE-HE progression routes whether delivered outside or within the workplace. We hope this illustrates why the Council wishes to see much stronger interaction than has happened to date between the HE sector and the SSCs that are the custodians of the National Occupational Standards for their particular sector (alongside other government recognised standards-setting bodies in other sectors).
- (iv) We would also like to express some misgivings as to the extent to which the SEAP is fully in step with other Assembly plans and strategies, and suggest it would benefit from a more substantial analysis and explanation in paragraphs 6-8 on page 6 of how all the Assembly strategies and policies do hang together. However, even if the strategic context were more sharply defined, there would still be a pressing need to articulate more precisely a role for the HE sector in the same way as do other Assembly strategy documents – particularly in terms of linking HE activity on skills and employability both to Wales' education and lifelong learning agenda, and its economic development and innovation agenda.
- (v) Finally, may we suggest that there is some scope for presenting this document in a more accessible form. At present, it has a very 'busy' appearance: 67 different individual actions are proposed. These are neither costed nor set within a clear and precise overarching vision, which makes it difficult for readers to see the wood for the trees. The plan would benefit from a clearer vision statement and/or aims and objectives. It also needs to be costed; otherwise it is in danger of being regarded as an aspirational rather than a strategic document. Costing the plan will also help ground it in reality – we broadly estimate for example, that the cost of implementing all the activities currently assigned just to the HEFCW would require additional Assembly funding in the region of £10 million pa.

I now attach a separate document that responds in turn to each of the consultation questions. If you would like to discuss any aspect of our response in more detail, than please do not hesitate to contact us at the above address.

Yours sincerely

Phil Gummett

Response from the Higher Education Funding Council for Wales (HEFCW) to the Consultation Document on the Skills and Employment Action Plan 2004 (cont)

Q1 Do you have any comments on the priorities identified in paragraph 17

Whilst we do not disagree with the priorities listed, they need to be supported by:

- a brief summary of the underpinning research that has led to their identification; and
- an assessment of what difference their achievement will make to Wales and how it will impact on the delivery of all related Assembly Government policies and strategies.

This comment links back to our covering letter in which we suggest that there is a need for a much clearer statement of the SEAP's overall aims and objectives and the policy context within which it sits.

Q2 Do you think the roles and responsibilities model following paragraph 17 is an appropriate model to underpin our strategies for skills development in Wales?

Firstly, we are puzzled by the use of the word *strategies* instead of *strategy* in this question. Surely one of the main drivers of the SEAP is to come up with a single skills strategy for Wales to be delivered via joint working between all key partners?

Secondly, there is a need within this early, scene-setting part of the SEAP to emphasise that this agenda has both supply and demand dimensions. Whilst it is important to set the supply dimension within the context of its fit with other Assembly policies and strategies it is useful to remember that supply side activities are not necessarily confined to the public sector (at least in terms of delivery).

On the demand side it is useful to differentiate between individuals and employers. In respect of the former it may be appropriate to conduct more research into the barriers/blocks that lead to such high levels of disengagement with the skills and employability agenda in Wales. On the other hand, in respect of the latter's best interests is it right to place so much of SEAP's emphasis on low level skills developments when there may be high level skills shortages in Wales that are not only inhibiting the activities of existing employers, but also deterring new employers from investing in Wales?

SECTION A: IMPROVING THE MECHANISMS OF WORKFORCE DEVELOPMENT

Q3 Do you have any comments on the proposed actions in Section A of the Action Plan?

A total of 12 actions are proposed in this section, none of which have been costed. These should be coalesced, rationalised and costed. Furthermore, they should perhaps also be prioritised in order of the likely impacts that will accrue from their implementation. Priorities should derive logically from Assembly Government strategy in this area.

With regard to action A5, which the Council is happy to support, we would need to become a member of the Skills for Business Network in order to fully support it. In

relation to A6, we agree with ELWa, that a single “Skills City” platform might better give way to two separate skills events, one for south Wales and one for North Wales.

More generally, HEFCW welcomes the emphasis on partnership working in this section. However, we feel it would be strengthened by a direct reference to the fact that Skills and Employability is one of the three key strategic areas in which the Assembly Government has specifically remitted ELWa, HEFCW and the WDA to work more closely together and the need for the FSW Steering Group to build effective links with the ELWa, HEFCW & WDA joint operations group.

Q4 What are the main knowledge gaps to be addressed by Future Skills Wales research and the work of the Sector Skills Councils?

As we have indicated in response to question 2 above, we believe that there is a need to give more attention to higher level skills needs. For example, to date there has been little reference to the HE dimension in the research undertaken by FSW and the skills needs that are normally addressed within HEIs, and likewise, there has been little engagement by the emerging SSCs with either HEFCW or HEIs in Wales. We would therefore argue that some FSW research needs to focus on identifying the future skills needs of fast-growth companies that have already invested or expressed an interest in investing in Wales, and which in all probability, will have a significant higher level skills and HE component. This would also help engender a greater cohesion between FSW research activity and that being overseen by the Assembly's Economic Research Advisory Panel (ERAP).

In respect of SSCs, few of the expressions of interest that have come forward so far evidence much research into how best to tap into and exploit the services and resources available in the HE sector. What references there are to interactions with HEIs tend to reflect the HE funding regime in England – eg an emphasis on foundation degrees which, whilst a policy focus in England, do not have the same status in Wales. The HEFCW would welcome closer ties with the SSC Network in Wales in order to explore how Welsh HEIs can help address the skills needs of the businesses represented therein. In this context, we draw your attention to a recent UK-wide study by the Advanced Institute of Management Research and the Council for Industry and Higher Education. This study refers to data that reveal of the £23 billion invested annually by business in education and training, less than £300 million is spent within the HE sector. According to this same study, business leaders argue that HEIs are too slow and inflexible to satisfy business needs and are less able to offer appropriate short courses. However, Welsh HEIs have made significant strides in recent years in opening themselves up to business and being more responsive to business needs. For example, the latest UK-wide survey of annual HE-Business Interactions shows that Wales is unique in the UK because all of its HEIs have a dedicated enquiry point for SMEs. Nevertheless, it is clear that further research into employers' needs in respect of work-related and employer-focused HE provision would be useful (especially in relation to the foundation degree debate in Wales (see also questions 17 and 19 below).

As we indicated in our covering letter, we also think that it would be useful for ELWa, HEFCW and employers to explore what role the UK's National Occupational Standards might play in future training curriculum developments in both the post-16 and HE sectors in Wales to meet employer needs at local, regional and national levels.

Q5 Should the planning and funding arrangements for post 16 learning include a component designed to encourage learner demand within identified growth sectors?

This is a question for ELWa rather than the HEFCW. We would, however, like to observe that concentrating solely on current identified growth sectors presents a potential danger that Wales will not thereby be prepared to meet the emerging growth sectors of the future. This is another reason why it is desirable to seek greater cohesion in the research activities of FSW and ERAP.

In addition, rather than putting the onus on the provider side to “encourage learner demand” is it not equally, if not more, important to find ways to enable employers to become more proactive in articulating their skills needs and stimulating demand to meet those needs? In this way, growth businesses will be supported irrespective of sector.

Q6 Should funding streams be available to support both a short term response to immediate skills needs (eg small chunks of learning to deal with particularly acute shortages) and also a longer term more planned approach aimed at meeting the challenges of the future? Which of these is most important?

Within the HE sector there is a need to maintain a balance in support for learning and teaching that enables HEIs to provide a solid core of long-term provision that meets generic needs, but also enables them to respond rapidly and flexibly to meet specific short-term needs. The former requires stable funding as is provided by HEFCW’s block grant for teaching, which it is the responsibility of HEIs to deploy in accordance with their particular mission and institutional strategy. It is important that an equally strategic approach is applied to helping meet more immediate/short term skills needs. However, like ELWa, we oppose any presumption that learning provision can be planned in a mechanistic fashion to accord with presumed economic trends.

Q7 In moving towards a position where learning provision is delivered through emerging Learning Networks and Centres of Excellence to what extent should pathways based on economic sectors of strategic importance to Wales be given priority?

See comment in response to question 5 above and the need to maintain regard to future developments. Within this context it is essential not to lose sight of the importance of the generic skills, which will remain of significance to employers of the future as well as the present.

HEFCW recognises the importance of networks that bring together employers and learning providers and reaffirms its commitment to work more closely with ELWa, the WDA and other key partners to help meet the needs of employers in a way that best aids delivery of key Assembly Government strategies and policies for economic development in Wales. It is worth noting here the role played by KEF in bringing together FE and HE providers to meet the training needs of particular sectors via KEF support for Training & Consultancy Consortia across Wales.

Q8 What further mechanisms might be put in place to make the supply of learning match the needs of the economy and of firms in Wales?

The Council believes this to be a question that has to balance specific Welsh and wider UK economic and labour market considerations. There is, again, a risk that too much emphasis is being put on the supply side and there needs to be a greater recognition that many apparent skills shortages – across the UK and not just in Wales – are linked to the employer demand side. Within the HE sector this was one of the major findings of the recent review of HE-University Collaboration by Richard Lambert (and reinforced by the Chancellor of the Exchequer's recent CSR statement). Employers in Wales (and across the UK) need to be better enabled to become more proactive in tapping into the products and services available from their local HEI. Sustained employer engagement in curriculum design and delivery, however, is more likely to be best effected via representative organisations (like SSCs and the CBI) as individual employer involvement will be subject to the vagaries of their particular market.

SECTION B: SUPPLY NEW ENTRANTS TO THE LABOUR MARKET WITH THE SKILLS NEEDED FOR EMPLOYMENT

Q9 Do you have any comments on the proposed actions in Section B of the Action Plan?

HEFCW is keen to play its part in encouraging and enabling HEIs to ensure that graduate entrants to the labour market have the skills needed for employment. It is important to signal here that Wales already has a reputation as a UK *trail-blazer* in the area of graduate employability. Care must also be taken not to repeat work that has already been undertaken previously or duplicate work that is already in train within the HE sector on a UK-wide basis under the auspices of the Higher Education (HE) Academy and the work of the Enhancing Student Employability Co-ordination Team (ESECT)*.

On a specific note, HEFCW is actioned to participate in the “further development of job outlooks.” We would appreciate further information on *Job Outlooks* as HEFCW has had no contact with this initiative to date.

**The HE Academy came formally into being on 1 May 2004, combining two previous UK bodies, the Institute for Learning and Teaching in Higher Education and the Learning and Teaching Support Network. It is concerned with the enhancement of learning and teaching and the student experience. ESECT was established by the Higher Education Funding Council for England but HEFCW has observer status on the Steering Group, ensuring that account is taken of activities in Wales. The work of ESECT will be incorporated into the new HE Academy, to which HEFCW is contributing £650 000 pa.*

Q10 Should Key Skills development be included in induction and CPD for practitioners in schools, further and higher education institutions and the workplace?

Within the HE sector arrangements for this are already in place via the work of the HE Academy.

Q11 Should a specific qualification be developed aimed at all those involved in teaching Key Skills? Should this be expanded to cover all essential skills?

Within the HE sector key skills are already covered in Initial Teacher Training (ITT) provision for prospective school teachers. For the rest, we would prefer to see this embedded in regular curricula rather than treated as a bolt-on extra.

In terms of imparting key skills to HE students, the HE Academy will provide support for enhancement and staff development for this aspect of activity. The HE Academy will also be responsible for the accreditation framework for teaching qualifications for staff in higher education and any developments should be consistent with this and institutions' own staff development strategies.

Q12 How can a positive Key Skills culture be achieved within institutions and organisations?

Within the Welsh HE sector the requirement to produce annual Work Experience and Employability Plans (WEEPs) over a three year period between 2000/01 and 2002/03 has done much to ensure that such a culture already exists within our HEIs. In an independent analysis of the impact of WEEPs, Professor Lee Harvey of Sheffield-Hallam University concluded:

“If the change in the degree of sophistication of the WEEPs (ie over the three year cycle) is anything to go by, the sector has taken on employability conceptually, operationally and strategically and creatively linked work experience and employability planning with learning and teaching and widening access. The increased sophistication of the WEEPs is more than the usual institutional learning {as to} how to present documentation to maximum effect, it also reflects a critical analysis of employability within the HE context and a concerted effort to engage with a strategic approach to explicitly enhancing students’ abilities.”

These matters will continue to be advanced via support from HEFCW's newly established Third Mission Fund.

Q13 What additional action can we take to give more help to return to learning for those who have not succeeded as well as they might at school?

HEIs through their Widening Access strategies are forging links with schools in order to help stimulate an interest in participating in higher education from an early stage in the overall education process.

With additional support from the Welsh Assembly Government, HEFCW has established four *Reaching Wider* partnerships in north, mid & west, and south east Wales and in Swansea/Neath Port Talbot. These are partnerships of HE and FE institutions and their programmes include targeted activities in schools in disadvantaged areas. The partnerships work with existing networks to add value to established widening access activities, as well as foster innovative approaches. Increased levels of funding would enable further developments in partnership activity.

The HE sector also has a role to play in building on work being undertaken by ELWa to engage these individuals in learning in the first place. The HE sector has a tradition of providing community education and opportunities for adults to participate in continuing education and these activities now feature heavily in institutions' Widening Access Strategies - part-time adult education enrolments currently total approximately 38,000 across Wales.

Q14 How might we provide extra support for the most disadvantaged? Might we for example, concentrate efforts on areas of greater deprivation to provide

intensive support for Basic and other Generic skills plus help in overcoming other barriers?

See also our response to question 13 above. Through the Widening Access Strategies of individual HEIs (annual updates are submitted to HEFCW) and the Reaching Wider partnerships, the sector engages in a range of activities both with schools and communities to widen access to higher education. While Basic Skills delivery is not the remit of HEFCW, much of HEIs' widening access work focuses on providing people with the skills and, above all, the confidence to engage in higher education. As part of their developing activities, partnerships in 2004/05 will be encouraged to consider workplace learning opportunities to upskill the workforce. Family learning may, with a significant input from FE partners, include basic or elementary skills for parents.

Q15 What else needs to be done to strengthen and support links between education and business?

As already mentioned, much of the onus here lies with the demand side rather than the supply side. Richard Lambert's review of HE-University Collaboration concluded in *Chapter 8: Skills and People* that SSCs should "*have real influence over university courses and curricula. Otherwise, they will fail to have an impact on addressing employers' needs for undergraduates and postgraduates*". Within Wales the Assembly Government's *Nexus Report* has suggested that the new SSCs and Future Skills Wales "*could better utilise our universities in pursuit of their important skill-raising goals*". It is, therefore, vital to develop effective links between HEFCW and the SSC Network in Wales. That said, individual HEIs through their third mission activities are already seeking individually to foster better links with business. The latest UK HE-Business Interaction Survey showed not only that all 13 of its HEIs have a dedicated enquiry point for SMEs, but that 12 of them also offer assistance to SMEs in specifying their needs (see previous reference in Q4 above). In addition, HEFCW's Graduate Opportunities Wales (GO Wales) programme provides employers from all sectors with an opportunity to benefit from:

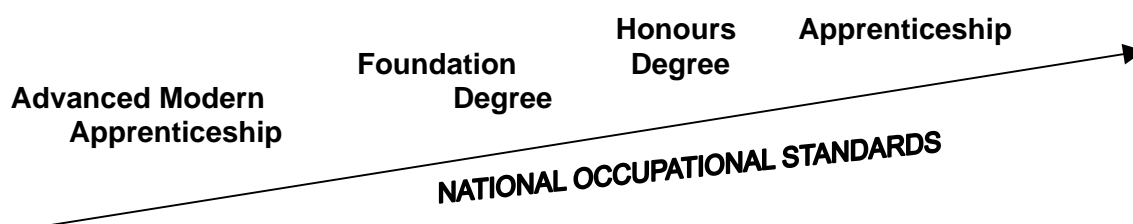
- subsidised graduate & undergraduate work placements
- free vacancy advertising & other help with recruitment
- subsidised staff training packages

Improving the links between HE and business is also an issue covered by the recommendations of the recent Nexus Report. It will be important that the SEAP is in step with the actions that will accrue from the implementation of this report.

Q16 What part can the Sectors Skill Councils play in linking employers with schools, colleges and universities and to increase the bank of work experience opportunities?

See responses to questions 4 and 15 above. We would welcome SSCs in Wales raising their profile with HEIs and vice versa (especially under the GO Wales banner in the latter case). SSCs can also play an important role in increasing HEI awareness of the UK National Occupational Standards and how they provide a common *curriculum language* that meets the skills needs of employers, the CPD aspirations of individual learners and provides a clear progression route from study in the post-16 to HE sectors. The following diagram provides a typical example:

Graduate CPD



Q17. Do we need to develop new vocational routes or concentrate on better advice and guidance and improve the quality of provision of existing routes?

We would argue that the way forward lies in the better co-ordination of existing activities through a more joined-up *Team Wales* approach. We should avoid creating new initiatives that will only add to the already complicated picture that confronts learners across Wales. This should include encouraging more effective collaboration between providers in the post-16 and HE sectors in areas such as work based training, e-learning and FE/HE progression routes. Alongside ELWa, we would also welcome an opportunity to explore in more depth, business needs in relation to sub-degree HE provision at associate professional and higher technician level and any associated implications for FE/HE links in Wales. Linked to this is the UK-wide question of how education and training provision that leads to high-level vocational qualifications might best be configured to meet the demand for skills linked to associate professional and higher technician occupations. In particular, we would welcome engagement in the project detailed in the ELWa response that is developing for Wales “*a more responsive and flexible Vocational Qualifications System*” - our answer to question 16 and other previous questions illustrates that the HE sector has a role to play in any vocational qualifications framework being developed for Wales.

Q18 Is there more that could be done to engender greater understanding of vocational routes through practitioner development?

Within HE this is already being addressed on a UK-wide basis under the auspices of the HE Academy and ESECT, but see also previous references to the benefits of increased links between HEIs and the SSCs in Wales.

Q19 Should we do more to encourage the development and take up of Foundation Degrees in Wales – for example by challenging FE and HE to work in collaboration to meet the needs of strategically significant sectors in Wales?

Although some Welsh HEIs are offering foundation degrees, they do not currently constitute a policy priority in Wales. If we were to fund them at a rate, pro rata to England HEFCW would require development funding in the region of £500,000 (this allows for the limited development funding made available to date). In addition, funding would need to be made available to support an additional 600 FTEs (costing around £2.1 million in year one and rising to c. £4.1 million pa thereafter). While foundation degrees have many attractions, any further development of them in Wales would have to be conducted with care. Not least because questions have been raised about some of them by the Quality Assurance Agency. Concerns have also been raised, including by employers, about the possibility that in some cases, foundation degrees are simply replacing HNDs/HNCs as opposed to opening up new opportunities for learners.

Furthermore, there is already considerable provision within Wales that facilitates access and entrance onto HE level courses based upon age and experience. These routes need to be more widely publicised and again, this is another reason why the emerging SSCs in Wales need to engage with the HE sector to help improve mutual understanding of both what the Welsh HE sector has to offer, and needs to contribute, to employers and learners alike. Perhaps the relevance of foundation degrees (and graduate apprenticeships), to meeting employers needs in Wales should be fed into the work already being undertaken at the behest of the Minister for Education and Lifelong Learning on a national vocational qualifications system (see responses from HEFCW and ELWa to question 16 preceding).

Q20 Increasing numbers of graduates are entering the labour market all the time: how can these relatively high-level skills best be turned into an effective workforce for Welsh employers?

This is an issue that received detailed consideration in the Nexus Report. It will be important to ensure that the final SEAP takes notice of the conclusion that “opportunities should be actively sought for far closer working between the schools careers services, GO Wales and university administration/industrial liaison officers, alumni associations etc”. The Nexus Report also draws attention to the considerable work that is already being done in this context, eg via GO Wales and Knowledge Transfer Partnerships, and it will be important for the SEAP to build on what is already in place and not to initiate duplicate activity. This is also another key area in which more emphasis needs to be placed on stimulating demand side pull, particularly from SMEs. With over twenty thousand graduates from Welsh HEIs every year, “there is a major opportunity for us to capture the potential of this dynamic and well educated marketing force for the benefit of our economy” (*Nexus Report* March 2004). However, the scale of opportunity in Wales needs to be clearly understood: a recent survey of blue-chip companies by the Association of Graduate Recruiters reveals that just 1.9% of new UK graduate-level vacancies are to be found in Wales – compared with over 50% in London and the south-east of England. Future strategy needs to be based on a realistic appraisal of the supply and demand for graduates in Wales.

SECTION C: WORK WITH EMPLOYERS AND EMPLOYEES TO IMPROVE SKILLS

Q21 Do you have any comments on the proposed actions in Section C of the Action Plan?

There are 23 individual actions in this section, which we would suggest be reduced to a smaller number of key proposals.

More specifically, whilst we recognise the importance of the basic skills agenda in Wales we are concerned that high level skills needs are not being given sufficient attention. If Wales is to establish itself successfully as a knowledge economy, high level skills must be brought to the fore and once again there is work to be done on the demand as well as the supply side. For example, across the UK a number of industries are currently funding new curriculum developments at the post-graduate level – none of which is mentioned in the current draft SEAP. Again this is an issue which is raised in the *Nexus Report* and which underlines the need for the FSW Steering Group to develop close working links with other key team Wales strategy groups such as ERAP and the Joint WDA, ELWa & HEFCW Strategy and Operations Groups.

It may be appropriate to mention at this point a skill area that has been missed altogether in the draft SEAP - modern foreign languages. A recent languages skills audit by CILT (the National centre for Languages) revealed that:

- one in five Welsh businesses is aware of lost business or lost opportunities as a consequence of skills deficiencies in international communications;
- nearly half accept that dealing in non-English speaking countries represents an inhibitor to trade;
- yet less than 10% have a way of dealing with international communication as part of their business planning process.

Given that The Assembly Government has a modern foreign languages strategy, *Languages Count*, it would seem appropriate for SEAP to cross-reference to it in the context of addressing the foreign languages skills needs of businesses in Wales.

Q22 What more can be done to achieve a joined-up approach to business support and workforce development?

This has already been covered in answers to previous questions.

Q23 Should we make it a condition that any company in Wales in receipt of government support for business development or training should commit to the Investors in People standard?

No – the aim should be to engage employers, not create potential barriers.

Q24 What more could HE/FE institutions do to help local businesses to develop their workforces?

This has been largely covered in previous answers that have highlighted that there is more to be done in stimulating the demand side than in galvanising providers. However, certainly within HE it must be recognised that significant growth in third mission activities will require a significant injection of new funding. This is a view also reached by Richard Lambert and Lord Sainsbury (in his *Innovation Review* on behalf of the Office of Science and Technology) and which was also echoed in the *Nexus Report*.

Q25 Should all or some Basic Skills learning provision be available free of charge to the learner?

No comment.

Q26 What more can we do to improve the quality of Basic Skills learning for adults – or should we concentrate on the younger age groups?

Covered in previous references to HEIs' widening access strategies.

Q27 What proportion of the cost of training is it reasonable to expect employers to bear? Should it vary according to the levels of qualification aimed at and whether the skills acquired are generic or job-specific?

This should be for discussion with employers and their representatives and needs costing out. For example, to give all graduates in Wales a GO Wales placement opportunity would cost in the region of £2.76 million pa.

Q28 Should public sector support for training be aimed at SMEs or should there be across the board entitlements to learning at a certain level?

No comment.

Q29 In what ways might e-learning help employers meet their skill needs?

Q30 How can we encourage employers to utilise e-learning?

This is an area with huge potential, but which is currently fraught with difficulties that largely impinge on issues of funding and/or competition rather than collaboration in all sectors of provision. No new initiatives should be implemented until further research across all sectors in Wales has been carried out. (***Cross refer to question Q4***)

SECTION D: HELP PEOPLE INTO SUSTAINED EMPLOYMENT

HEFCW has decided not to respond to the specific questions within this section as most of the actions envisaged do not fall within its remit. However, within their third mission strategies all HEIs are asked to articulate their full contribution to enhancing both social and economic well-being in Wales.