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Helen Connor
CIHE
Studio 11
Tiger House
Burton Street
London
WC1H 9BY

Dear Helen

CIHE Consultation on Work Based Learning

The Higher Education Funding Council for Wales (HEFCW) welcomes the opportunity to respond to CIHE's consultation on Work Based Learning. We agree that it is an important component of the overall skills and employability agenda and one to which the HE sector has much to contribute. Whilst we also agree that activities in this area do not currently have a high profile across the UK, we are not so comfortable with the assertion on page 1 of your consultation that work based learning "is not a major activity or seen as a priority at most HE institutions."

However, we also recognise that our perceptions are influenced by the history of work based learning activity in Wales, which differs somewhat to the rest of the UK. For example, HEFCW established a dedicated stream of funding to support HEI's training and consultancy activities in the early 1990s. In taking the third mission agenda forward since that time, we have strongly encouraged HEIs in Wales to play to their particular mission and areas of strength and expertise. In 2004 HEIs were required for the first time to prepare a third mission strategy that set out their intended impacts on both society and economy. In a sector of just 12 HEIs there is, nonetheless, much diversity of mission and their potential contributions to overall social and economic well-being vary considerably in scale and impact as well as in breadth of activity. Amongst our smallest HEIs, third mission activities tend to be very local in focus and I hope you will be encouraged to hear that meeting the needs of locally based employers - often working in close co-operation with the local authority and post-16 sector providers - is very much to the fore.

Skills and Employability is also one of three key strategic areas in which the Welsh Assembly Government's Minister for Education and Lifelong Learning and Minister for Economic Development have remitted HEFCW to work more closely with the Welsh Development Agency (WDA) and ELWa (the body responsible for funding post-16 and sixth form provision in Wales). On 11

January 2005 the Welsh Assembly Government published a refresh of its Skills and Employment Action Plan (SEAP) for Wales, first published in 2002. The SEAP pays due regard to the HE dimensions of this agenda and HEFCW is working closely with the WDA and ELWa to ensure its effective delivery. It is through SEAP2 that the skills agenda will be taken forward in Wales and not via the Skills White Paper from Whitehall.

SEAP2 was itself informed by a review of current work based learning provision in Wales undertaken by ELWa towards the close of 2004, and the HEFCW is also identified as a key partner in the implementation of the outcomes of that review.

It is also pertinent to note that HEFCW has funded on the basis of credits since 1996 when it established the HE Credit Initiative Wales. This is now being rolled forward into the development of an overarching Credit and Qualifications Framework for Wales (CQFW). HEFCW is working closely with ELWa, the Welsh Assembly Government and other key partners in the development of the CQFW.

I hope that the preceding gives a flavour of why we feel that the CIHE consultation is perhaps a little over-focused on what has and is about to happen in England. I trust that our responses to the specific questions CIHE has posed will illustrate that HEIs in Wales have both experience and good practice in this area that is worth sharing. At the same time, HEFCW recognises that there is still much more to be done by the HE sector in this area and we would welcome the chance to meet with a representative of CIHE to discuss how HEIs in Wales can contribute most effectively to CIHE aims and objectives in this and other key policy areas.

We will now move onto the specific questions and issues raised in your consultation document. If you require any further information on our response and/or would like to visit HEFCW to discuss the way in which Welsh HEIs can best support CIHE, then please do not hesitate to contact us to arrange a meeting. You would be most welcome.

Yours sincerely

PHILIP GUMMETT
CHIEF EXECUTIVE

HEFCW'S RESPONSE TO CIHE CONSULTATION ISSUES

The Current Situation

This section of the consultation document concentrates on the current situation in England. It does not adequately reflect the current situation in Wales (and probably in Scotland, too). For example, policy approaches to foundation degrees in Wales and Scotland are quite different to that in England. The 50% target for entry by young people into HE does not apply in Wales where we have instead an all-age target focussed on the most deprived areas of Wales. HEFCW's interest in widening access is focussed on supporting social inclusion and economic upskilling in general and not on young people in particular as in the 2003 English White Paper.

This broader approach also reflects the Welsh Assembly Government's Skills and Employment Action Plan, the 2005 update of which (SEAP2) was partly informed by a Review of Workbased Learning in Wales undertaken by ELWa. This review shows that Wales' workforce is becoming older and that 80% of existing employees will still be in the workforce in ten years time, meaning that "decisions will have to be made regarding apportionment of funds regarding the declining 16-19 age group and other age groups in the population". This mitigates against the development of a one size fits all approach to the planning and delivery of effective workforce development and underlines the need for all levels of provider in this area to work together to develop a strategic approach to workforce development in Wales that sits within an overarching lifelong learning strategy and framework.

Definition of Work Based Learning

We welcome the emphasis on workbased learning and agree that there is an important difference between this and work related learning that is not always adequately recognised.

HE Sector Share of Workforce Development Market

Workforce development produces and enhances skills that add value to economic productivity and social inclusion, thus placing it clearly under the umbrella of HEIs' Third Mission activities¹. In Wales SEAP2 and other key Assembly strategies, such as the recent Nexus Report on the role of HE in economic development, clearly underline the role of higher level learning in the development of a knowledge based economy and society. Whilst it may be true to say that the HE sector's share of this overall market is low, it is not true to say that the sector is not generally active in this area. In developing their Third Mission agenda, many institutions are proactively targeting this area of activity. Some are concentrating on specific sectors, others are more

¹ "Third mission activities in universities stimulate and direct the application and exploitation of knowledge to the benefit of the social, cultural and economic development of our society". This is HEFCW's definition of Third Mission activities as reflected in its own Corporate Plan and Strategy.

generic in their offerings and a few are developing a niche market in providing workbased learning through the medium of Welsh.

Within Wales, the existence of the CQFW means that HEIs are able to accredit small bite-sized chunks of workbased learning. As HEFCW funds on the basis of credit, it is, therefore, highly feasible that provision in this area is being funded through our block grant and not separately identified, leading to statistics that undercount the 'real' extent of provision in this area.

However, it is also important to note that workforce skills issues can be generated as much by weak demand from employers as well as by limitations in current levels of vocational provision (from both HE and other levels of provider). This is an issue picked up in SEAP2 and an area in which HEIs are trying to work collaboratively with FE providers and the WDA to increase employer awareness and demand – e.g. via the KEF supported consortia for Industrial Training (see below).

Meeting SME needs

As you say, the SME dimension is important and especially so in Wales, which has a preponderance of SMEs. The latest HEBCIS shows that all HEIs in Wales provide a single point of enquiry for SMEs seeking work based learning and other services and that all but one of them also offer assistance to SMEs in identifying their needs. Analysis of HEIs' third mission strategies indicate a widespread engagement with SMEs that is often facilitated by pan-Wales programmes and initiatives such as HELP Wales, Know-How Wales and the Knowledge Exploitation Fund (KEF).

By way of example, KEF was established by the Welsh Assembly Government in 2001 to help unlock the potential of the knowledge and expertise that resides in Wales' higher and further education institutions for use as an economic resource. It is currently managed by the WDA and supported by European Union Structural funds and provides a key vehicle for strategic interaction between HEFCW, ELWa and the WDA. From the outset, a priority of KEF has been to boost skill levels within the Welsh economy and, at the same time, develop the capacity of FE and HE staff to deliver these skills. KEF Phase 2 has just supported the creation of several Consortia for Industrial Training. These consortia require input from both academia (FE and/or HE) and business. It is encouraging to note that whilst analysis of HEIs first third mission strategies indicates relatively little engagement with the emerging SSCs in Wales to date, the formation of these KEF consortia is beginning to engender interaction with the SSCs. As an example, Skillset has co-operated very closely in the formation of a consortium of several HEIs, led by the North East Wales Institute of Higher Education (NEWI) to create tailor-made electronic work based learning materials for the interactive media sector, which is now the largest part of the creative industry sector in Wales.

Assessment and Accreditation Issues

We have already referred to the CQFW which includes levels from entry level 1 to doctoral level 8. It is a matter of concern that the credit developments in England at post-16 (QCA) and HE level appear to be being taken forward separately, which could have a negative impact on the framework operating in Wales (and Scotland, too), especially in relation to cross-border flows.

In the light of developments arising from Bologna there is now an increasing emphasis on the assessment of learning outcomes to gain credit rather than notional learning hours. This may better facilitate workbased learning by enabling a greater focus on competence based outcomes.

We also agree with CIHE that the framework of UK National Occupational Standards is presently an under-utilised resource. We suggest that the SSCs could play a key role in raising the profile of this framework and the way in which the National Occupational Standards provide a common 'curriculum language' that meets the skills needs of employers, the CPD aspirations of individual learners and a clear progression route from the post-16 to HE sector. HEFCW has already made public its willingness to examine alongside ELWa, the Assembly Government and other Team Wales partners, what role 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.

With regard to APEL, it would be helpful to both learners and employers to see a greater consistency across institutions on terms of how they make use of APEL. Institutions in Wales are currently considering the potential for developing cross-sector guidance in this area.

Employers' Assessments of Capacity

Please see previous comments about the potential role of SSCs in this area and the examples of how HEIs in Wales are working with FE partners, businesses, SSCs and the WDA to encourage greater employer investment in the assessment and recognition of skills and capabilities via the implementation of SEAP2 and associated programmes and initiatives.

Foundation Degrees and Other Approaches

HEFCW currently makes no earmarked funding available to support foundation degrees, though HEIs are free to use core funding for this purpose (and a number do so). The premium offered for Foundation Degrees referred to in the consultation document applies only to HEFCE. It is also likely that the proposed foundation degree validation service by UVAC agreed by the DFES will not apply in Wales. HEFCW and the Welsh Assembly Government are currently seeking clarification on this issue.

In its 2004 review of work based learning, ELWa referred to “exploiting the potential of Foundation Degrees” in Wales. In its response to this review, HEFCW has counselled caution – not least in the light of questions raised by the QAA and concerns expressed by employers that, in some cases, foundation degrees are simply replacing HNDs/HNCs as opposed to opening up new opportunities for learners.

There is also already considerable provision in Wales that facilitates access and entrance onto HE level courses based upon age and experience and HEFCW has signaled its intention to work closely with ELWa and the emerging SSCs in Wales to publicise these existing routes more widely.