

**A NEW UNIVERSITY CHALLENGE: DEPARTMENT OF INNOVATION,  
UNIVERSITIES AND SKILLS CONSULTATION****Responsible Officer** Liz Nicholsone-mail: [liz.nicholson@shropshire-cc.gov.uk](mailto:liz.nicholson@shropshire-cc.gov.uk)

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**Summary**

On 3 March 2008 John Denham, Secretary of State for the Department of Innovation, Universities and Skills launched a paper, 'A New University Challenge'. The paper provides information on a proposal to fund, in collaboration with partners, more university provision in towns and cities across England. A copy of the paper is available in the Members' library and on the web site at [www./dius.gov.uk](http://www./dius.gov.uk).

**REPORT**

1. The vision set out in the paper is to provide more high quality campuses to open up the chance of higher education to young people and adults who might otherwise never think of getting a degree, recognising that higher education also provides skills and knowledge transfer that enables local businesses to grow and attract new investment to the area.
2. In the last 5 years, 11 towns or wider areas have benefited from new universities and new higher education provision. The Higher Education Funding Council for England (HEFCE) has already agreed to support projects that will benefit a further 6 areas, with projects starting in this academic year or later. Between 2003 and the end of this Comprehensive Spending Review (CSR) around £100 million in capital has been committed on these developments and the Government expect these projects to leverage in funding from other sources and when fully operational, there should be places for around 9,000 students from all the projects agreed since 2003.
3. The Government is now seeking to increase these opportunities in more communities. Working with a range of partners they will seek bids which show how a higher education campus could open up new opportunities for students and develop or regenerate the local economy. Over the next 6 years, subject to high quality bids, the Government hope to have 20 more institutions which have either opened or have a commitment from the funding council. When fully operational, there should be places for a further 10,000 students. These developments will be funded from HEFCE's current strategic development fund. The CSR allocated £150 million for this fund. Subject to the next CSR in 2011 the

government anticipate the strategic development fund remaining at least the same level in future plus increased funding being made available by projects leveraging in funding from other sources.

4. The Government want to see more locally based provision that:
  - a) reaches out to adults who have missed out on higher education in the past;
  - b) helps to retain skills in an area;
  - c) encourages more young people to stay and study in their area;
  - d) brings wider social benefits;
  - e) reduces instances of economic decline;
  - f) enhances opportunities for new developments and innovation.
  
5. The Government wants to ensure that these new opportunities are provided first in those communities that can best demonstrate that they have the support from local people, local businesses, and a range of funding bodies, including for example, Regional Development Agencies.
  
6. The Government has asked Higher Education Funding Council (HEFCE) to lead a debate on proposals for new higher education centres and to conduct a consultation, reporting back to the Secretary of State, John Denham.
  
7. The consultation will involve not just those involved in delivering higher education, but also those involved in regeneration and local economic development and planning. Including views from:
  - Regional Development Agencies (RDAs);
  - Local Authorities;
  - The business community, both nationally and regionally;
  - Education partners; and
  - Community groups.
  
8. The Government's vision is one of providing convenient and accessible higher education as an important asset for a community in raising the skills of its people and for creating jobs and expanding the local economy.
  
9. The key success criteria that will be used to judge where the 20 new provisions are based includes:
  - collaboration between universities, and between universities and further education colleges
  - strong, coherent support from local partners, ranging from businesses to regional development agencies, local authorities, and those holding European funds.
  - long term and sustainable planning
  - management capacity.

10. The paper from the Secretary of State sets out the important role for further education colleges as well as for universities in developing locally based higher education and states that Further Education (FE) colleges are important providers of higher education in their own right, currently serving around 10% of all higher education students. The paper states that FE Colleges are well placed to provide progression routes into higher education especially from those prospective students who might not otherwise consider participating in higher education.
11. The Government is committed to helping the leading providers of higher education within the FE sector through investment in Centres for HE Excellence in FE colleges, which HEFCE proposes to begin investing in from 2010-11, and by creating the opportunity for FE Colleges who meet rigorous quality assurance criteria to award their own Foundation Degrees. The partnership between HE and FE also supports the work of the Lifelong Learning Networks which are developing none traditional routes into higher education.
12. The great majority of the proposals for new higher education centres and university campuses in recent years have involved at least one FE College and it is very likely this will be the case in the future. The Government see the partnerships between HE and FE institutions as providing credibility and expertise to devise courses work with employers and attract students and to enable partners to develop participation routes into and between universities, and for building the profile of higher education.
13. However, although the Government do not want to be prescriptive about the different ways in which local partnerships might address the challenges they face they expect in most cases, that the new higher education centres will be based in, or linked with, existing FE providers offering new opportunities.
14. The Government has asked the Funding Council to lead a debate with a wide range of organisations to develop a transparent mechanism for communities to put together a bid for funds for a higher education centre or university campus. Part of this will involve developing criteria for assessing funding proposals, for example, including:
- **unlocking the potential of towns and people:**
    - widening participation and unlocking talent;
    - attracting, nurturing and retaining talent in an area;
    - contributing to social cohesion; and
    - underpinning population growth strategies.
  - **driving economic regeneration:**
    - creating a highly skilled workforce, with relevant skills for the local business community;
    - job creation;
    - stimulating entrepreneurship; and
    - engaging with business to solve problems and boost innovation and competitiveness.

- **ability to deliver:**

- collaboration between universities, and between universities and further education colleges;
- strong, coherent support from local partners, ranging from small businesses to regional development agencies, local authorities, and where appropriate those holding European funds;
- long term and sustainable planning; and
- management capacity.

15. It is expected that the Funding Council will focus the development of proposals in areas identified as priorities under these criteria. The Government stress that establishing “need” is not the same as establishing the case for funding of any proposal. Local partners must develop a sound bid that meets assessment criteria.

16. This process set out in the paper “A New University Challenge” provides an opportunity to continue to develop the work the County Council has undertaken over the past 7 years in collaboration with HEIs and FE institutions and other partners in developing ideas for enhanced HEI provision in Shropshire through the development of a hub and spokes model. Two feasibility studies which looked at a needs led analysis have also been completed, one by a consultant funded by the County Council and the LSC and one by HEFCE. The County Council has also, over the past couple of years, taken the opportunity again with HEI and FE partners to support an increase in HEI provision through collaboration with Edge Hill University. The opportunity being presented by the proposal to co-locate post 16 provision in Shrewsbury will also provide a further opportunity to demonstrate partnership working and collaboration. Co-location would also provide evidence of joint investment which is likely to be one of the criteria of a successful bid. The co-location proposals have also already generated further discussions about enhancing HE opportunities between the FE colleges and the Sixth Form College, the Learning and Skills Council, Advantage West Midlands, Wolverhampton University and Edge Hill.

17. The pro-active work that has been undertaken with partners over the recent times plus the current initiatives should place Shropshire in a strong position to put a ‘high quality’ bid together when HEFCE call for proposals. Initial discussions have already taken place by County Council Officers with the Learning and Skills Council and Regional officers at HEFCE. Partners involved in the current work have also been in touch with officer expressing their interest in working together to create a bid.

18. Although the paper does not specify the timescales information from HEFEC suggests that the consultation period on the proposal in the paper will take place between May 2008 and the end of the summer and information on the bidding process and criteria will be published at the end of 2008.

19. It is proposed that a working group is established to be chaired by a County Councillor, supported by the Interim Director of Community Services and

involving local and regional partners. The purpose of the group would be to develop responses to the consultation documents that are planned to be published over the next 8 months and to start the preparatory work on establishing a bid to enhance the HEI provision within Shropshire by establishing a base in Shrewsbury which supports county-wide access.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Department of Innovation, Universities and Skills paper, 'A New University Challenge'.

**Human Rights Act Appraisal**

This report complies with the provision of the Human Rights Act 1998.

**Environmental Appraisal**

Not applicable.

**Risk Management Appraisal**

Not applicable.

**Community / Consultations Appraisal**

**Cabinet Member**

Ann Hartley

**Local Member**

All

**Appendices**

None