

SCOP's response to the Lambert Review of Business-University Collaboration

Introduction

1. The Standing Conference of Principals (SCOP) is the representative organization for the colleges and institutes of higher education in England and Northern Ireland. These institutions are part of the UK's unified higher education sector, alongside the universities. They are subject to the same accountability and quality assurance requirements. There are 44 HE colleges in England and Northern Ireland. Their average size is about 3,500 students (although they range from under 500 to over 11,000 students). They include many specialist institutions, notably in the fields of art and design, music and the performing arts, education and agriculture. About one third of HE colleges are church colleges. HE colleges educate about 10% of all higher education students. Nine colleges have gained their own degree-awarding powers; others award the degrees of an accrediting university.
2. HE colleges make a particular contribution to focused, professional higher education. They are significant providers in key disciplines, including: the creative arts (nearly 40% of all UK graduates); education (providing a third of all new teachers); agriculture (over 25% of all graduates); and the health professions (12% of new nurses and many other health professionals).
3. HE colleges embody and combine some of the best features of the pre-92 universities (good student retention, high quality teaching and employability) with the best of the post-92 universities (good at widening access, innovative and responsive curricula, quality of student support). They provide a genuine and high quality alternative choice to growing numbers of students.
4. SCOP is pleased to submit written evidence to the Lambert Review of collaboration between higher education and business. In so doing, we will focus particularly on the key strengths of the higher education colleges in their wide-ranging links with businesses, their role in enterprise and regeneration and their contribution to the creative and cultural sectors.

Background and context

5. SCOP has welcomed the Government's focus on knowledge transfer within the Higher Education White Paper and the establishment of a new permanent third stream of funding to underpin such activities. The definition of knowledge transfer needs to be inclusive – it is not just about traditional technology transfer and spin-outs, but encompasses a wide range of activities with, for example, the creative and cultural industries, work with SMEs and micro-businesses/entrepreneurs, economic and social regeneration and work with the public and voluntary sectors. Higher education also has a critical role to play in the wider community and we have proposed that a proportion of third stream funding should be identified to promote the social and cultural dimensions of higher education. We also welcomed the proposal in the White Paper to develop a network of knowledge exchanges and expect that these will recognise the wide range of diverse and excellent practice across the sector.
6. The latest survey of Higher Education and Business Interaction (*Higher education-business interaction survey 2000-01* ([HEFCE 2003/11](#))) highlights the continuing growth in activity across the wide range of institutions within the HE sector. Key headline messages from the survey include:
 - marked and widespread improvement in the interaction between the higher education (HE) sector and business, compared with 1999-2000;

- the progressive development of more strategic and embedded approaches by HEIs, including increasing use of strategic planning for business support;
 - access to education opportunities remains the most important aspect of HE-business interactions;
 - ICT is seen as the highest priority business sector or cluster, with the cultural and creative sectors also recognised as growing in importance;
 - focus on not-for-profit and public sector collaboration is particularly apparent within less research-intensive HEIs, as is the development of local partnerships and meeting regional skills needs;
 - greater reference is being made to Regional Development Agency (RDA) priorities;
 - growing recognition of the importance of ‘best fit with institutions’ expertise’ and response to business demand is apparent.
7. The recent rounds of initiative funding via Higher Education Reach-out to Business and the Community (HEROBC) and the Higher Education Innovation Fund (HEIF) are beginning to deliver some clear benefits in supporting such activities, but there is now a need for sustained, longer-term investment. In developing HEIF as a permanent third stream of funding, it will be important to move away from the bidding culture of the current process and to develop some robust and transparent indicators of activity upon which funding allocations can be made. This will be particularly important in the arena of cultural knowledge transfer, where impact measurement is, as yet, ill-defined. The principles of better accountability will also need to be followed in developing new indicators.

Best practice examples

8. There are many excellent examples of HE-business collaboration within the higher education colleges. We have chosen to highlight some examples which are indicative of best practice activity, across the following key themes:
- the creative and cultural industries;
 - rural enterprise and regeneration;
 - working with key public and voluntary sectors;
 - business and enterprise activities.

Creative and cultural industries

9. The creative and cultural industries continue to grow in importance in their impact on the UK's economy. The Government's Culture and Creativity Green Paper (DCMS, 2001) recognised the major strengths of the UK in the creative industries; they are areas where the UK can justifiably see itself at the forefront of global innovation. The specialist HE institutions in the creative arts make an important contribution to the UK's profile in this area through a wide range of knowledge transfer activities. Some indicative examples are set out below.

The Surrey Institute of Art and Design, University College

The Institute established its Business Development Unit in 1999 to work with business and the community in the transfer of creative skills, knowledge and expertise. It has secured over £2 million in income since its formation and has become a regional focus for research and knowledge transfer in the creative industries. Projects include the Creative Industry Training Initiative (CITI) which works with regional enterprise agencies, business links and major creative industry employers to provide specialist short course provision for multi-media professionals across England. Its Creative Enterprise Initiative assists graduates who wish to

set-up their own businesses but need help in developing their business capabilities. The project operates across the South East region in collaboration with RDAs, the Princes Trust and the Arts Council South East and benefits from European Social Fund and HEROBC funding.

Dartington College of Arts

The College has established a Centre of Creative Enterprise and Development to provide a range of specialist services for creative businesses and arts practitioners in the South West. The Centre also supports students and graduates into work and encourages staff to start up businesses from the College. It has a widening participation role and co-ordinates projects to encourage a wider cross-section of young people into creative and performing arts courses in higher education.

A new national centre of creative excellence - Dartington + - has recently been announced - which will form one of three internationally significant centres for music performance, production, arts education and professional development (other partners are The Sage Gateshead and Aldeburgh). The Arts Council England is making an initial financial contribution of £1.06 million to support the initiative over the next three years.

Norwich School of Art and Design

In 2002, NSAD funded and conducted research with 77 design companies and freelancers to inform development of its curriculum and to ascertain the skills which companies require of Graphics graduates. As a result, NSAD has identified many new contacts and has developed: a Foundation Degree in Graphic Design (subject to validation); short courses in Quark Xpress and Photoshop to meet established demand for training; and a newsletter which will sustain continuing communication with companies in the region.

Central School of Speech and Drama

CSSD is active in a wide range of cultural knowledge transfer activities. These include a partnership with the Royal Court Theatre where students recently took a play into a new development phase (stage realisation that tests and suggests new shaping of a draft). In theatre production and design, staff at CSSD are regularly approached to provide consultancy expertise and students work on real projects with professional companies. In another collaborative initiative, a CD-rom has been developed with actors' union, Equity, for training actors as independent creative entrepreneurs.

Cumbria Institute of the Arts

In April 2003, Cumbria hosted a national conference, *Words and Pictures: Explaining Science through Art and Writing*. This brought together writers, playwrights, broadcasters, scientists, designers and artists and was sponsored by The Wellcome Trust, Pfizer UK, the Biochemical Society, Cumbria County Council and Cumbria Institute of the Arts.

Rural enterprise and regeneration

10. The importance of the rural economy has been summarised in a recent review by the Countryside Agency (*Rural economies - stepping stones to a healthier future*, March 2003). The review noted that the rural economy has around 1 million enterprises, with more businesses per head of population and more women in self-employment than in urban areas. Rural local authorities host 34% of England's registered firms.
11. Many higher education colleges are active in rural and more remote areas. Our examples under this category focus on the contributions of the specialist agricultural and land-based HEIs.

Harper Adams University College

Harper Adams operates a business clubs programme (funded originally via HEROBC and now by HEIF) based on themes of relevance to rural businesses:

- Women in Rural Enterprise (WiRE) (rural entrepreneurship);
- Food SMEs in the West Midlands (food safety and related topics);
- On-farm composting (including links to urban green waste management);
- Convalescent and recuperative environment (small-scale, non-nursing convalescence and recuperation on farms and other rural accommodation);
- Marches Farm Enterprise Programme (farm diversification).

The Women in Rural Enterprise (WiRE) programme was the first of these clubs to be established and has made impressive progress. It supports women entrepreneurs by creating a research-informed business network providing training, development and rural-specific business advisory services. The initiative emerged from research undertaken by the College and has over 800 business club members from all parts of the UK. Its Director, Izzy Warren-Smith, is one of the 11 HEFCE/DTI-funded business fellows. The club has received considerable support from a range of organisations including HSBC Bank and Business in the Community. Full details of the programme can be found at www.wireuk.org.

Royal Agricultural College

The Royal Agricultural College operates the RAC 100 Club, a networking facility for food and farming companies working together with College staff. Companies pay an annual membership fee to the Club which is used to support academic initiatives in the College. Activities include meetings and workshops on issues of mutual interest, the creation of fellowships where an individual in industry is supported to research a

particular topic for one year, and an annual lunch with speakers of international standing. Mutual benefits are apparent through assistance with student placements and graduate employment as well as company access to College facilities and expertise.

Working with key public and voluntary sectors

13. As already mentioned, many higher education colleges are major providers of graduates who enter important public sector professions such as teaching, nursing and social care. This, in itself, is an important aspect of knowledge transfer and makes a major contribution to the regional skills agenda, both through initial training and continuing professional development. Similarly, many have developed robust links with other public and voluntary sector and community-based organisations.

University College Chichester

UCC has developed a formal educational partnership with West Sussex County Council. Successful collaborative activities include a Postgraduate Diploma in Strategic Management and a series of research methods workshops for managers (a pilot for a possible MRes programme). A Foundation Degree in Public Sector Management has also been developed which is due for validation in May 2003; additional student numbers have been allocated by HEFCE for this new programme.

University College Worcester

In March 1997, University College Worcester, together with West Mercia Constabulary and the Herefordshire and Worcestershire Community Safety Partnership, launched the research enterprise, SPHERE. By August 1998, five research projects had been completed and seventeen more were either being developed or in progress. These projects have involved academic staff and students and have included: developing competency models across the Constabulary and identifying the training needs of police officers. A well-publicised project explored the scale, impact and consequences of drug misuse on behalf of the Worcestershire Drugs Action Team.

Since its establishment, SPHERE has also actively engaged undergraduate and postgraduate students (including some jointly-funded PhD studentships) in 13 work-based projects. The enterprise has completed 30 projects in total which have contributed to 9 journal articles, 10 conference papers and 5 theses.

Newman College of Higher Education

Newman College has recently developed a new Foundation Degree for the voluntary sector with a focus on business skills and management capacity. This has been actively supported by the RDA. The work builds on a successful public sector collaboration to train classroom assistants. The new project worked closely with a target market, an employers' forum and the RDA.

Business and enterprise activities

14. Many higher education colleges are actively engaged in work to support local and regional businesses and enterprise activities, often with a focus on regeneration and support for SMEs.

Southampton Institute

The Southampton Institute's Business School has established a Graduate Enterprise Centre (GEC) at the Southampton Basepoint Enterprise Centre (an 80 unit inner city business incubator park). This has received significant financial support from SEEDA under the Single Regeneration Budget round two programme (SRB2). Businesses located at the new incubator include: high technology, manufacturing, services and media. The potential for the GEC was researched by students from the Institute's Business School and provides a centre for spin-off enterprises by Institute graduates. Undergraduate students also undertake real work and consultancy projects for Basepoint firms.

University College Northampton

UCN Know How is the supplier and deliverer of the 'flagship' Business Link Deep Diagnostic Business Review process for small and medium enterprises (SMEs). Northamptonshire Business Link offers an in-depth review to any of their clients with the desire and potential to grow significantly. They wanted to give this flagship product the credibility of being delivered by an HE business school, coupled with a measure of objectivity rarely delivered by private consultants.

Chester College of Higher Education

Chester has long been a pioneer in the field of work-based learning and in provision of bespoke and individualised training for businesses. The College's Work Based and Integrative Studies accreditation framework facilitates the underpinning of company in-house training programmes with academic credit. Examples of recent activities include a Graduate Apprenticeship and allied provision for Graduates into Hi-Tech Employment, funded by the NorthWest Development Agency, and in partnership with Business Link Chester and Warrington. The programme has worked with employers in the mobile telecommunications industry to ensure that both undergraduate and postgraduate computer science students have developed the necessary skills to fit them for the industry. This work has involved specialist modules, student placements and 12 month employment contracts for postgraduates.

The College of St Mark and St John (Marjon)

Marjon has created, developed and sustains the Plymouth Training Provider Network which includes local SMEs and national training providers. This work began in September 2000 and is funded by HEROBC until 2004. Its main aim is to meet the education and training needs of the local economy through raising the profile and status of work-based learning. There is no other equivalent body that brings all the key training providers together and acts as a stimulus to collaborative working to meet local training needs. The Centre for Social and Educational Research at the College is currently engaged in building a theoretical framework,

then a research design and method, for the study of collaborative working between education and training providers.

Barriers and Financial Issues

15. We have combined our response to the above two areas as the major barriers to collaborative engagements between higher education and business are perceived as the lack of sustained funding or consistent public policy in this area. While we welcome the establishment of a third permanent funding stream to support knowledge transfer, it is essential that the sector moves away from the current bidding culture to one of indicative allocations, based on reliable performance indicators. An approach which draws on institutions' own business planning and target-setting would be highly appropriate. A broader and more holistic definition of knowledge transfer must also underpin this funding change.
16. Another major concern expressed by many higher education colleges relates to the heavy emphasis within HEROBC and HEIF funding to date on collaborative activities by research-intensive universities and particularly within traditional areas of science and technology. The funding to support capital projects via JIF and SRIF has also been targeted at SET. In our response to the White Paper, we have called for matched capital funding to support collaborative projects which focus on social and community-based collaborative ventures.
17. Other critical issues for HEIs include the time and opportunity costs required for academics and other staff to engage in building up the necessary networks and connections. In some instances, the academic culture, which may not see third leg activity as high status, could be unhelpful. A related issue for some higher education colleges is the lack of understanding by employers of the place of institutions like theirs within the university sector. Support from RDAs and other regional bodies has often been helpful in overcoming the preconceptions of employers.
18. That said, for higher education colleges, and particularly the specialist institutions, working with employers is an integral part of their core business. There are developed linkages across their teaching, research and knowledge transfer activities. In the creative arts, the specialist institutions effectively mirror the industries which they serve and have a major role in near-market applied research.

Skills for employment

19. As major providers of professional and vocational courses, HE colleges are already highly active in ensuring that their graduates are well-equipped for future employment. Many colleges, and particularly the specialist institutions, embody 'communities of practice' through their extensive links with employers and their use of practising professionals to teach in key disciplines such as the creative arts, education and health. Other cited examples of institutional good practice include: skills embedding strategies across whole institutions; extensive use of work placements and real life projects; industry panels to advise on the curriculum; well-integrated careers education information and guidance from initial entry to HE. In some professional subjects, HE colleges and other providers are also working to standards set either by professional bodies or national agencies.
20. One interesting collaborative example comes from the Consortium of Arts and Design Institutions in the South East (CADISE), a grouping of smaller and specialist institutions in arts and design. CADISE received funding via HEROBC to establish a work bureau to provide direct and indirect careers advice and guidance to students across the partner institutions together with an inter-active web portal for employers to access creative graduates' skills across Southern England.

21. Two specialist agricultural colleges, Harper Adams University College and Writtle College, have developed a joint Professional Skills Programme for all undergraduate courses funded under HEFCE's Fund for the Development of Teaching and Learning (FDTL). This has embedded work-based skills training in the curriculum and has been positively received by employers. The programme featured in a recent national conference on Higher Education Learning Partnerships.
22. The success of higher education colleges can also be demonstrated via consistently high employability rates. For example, in the latest higher education performance indicators publication (*Performance indicators in higher education in the UK*, HEFCE 2002/52), higher education colleges continue their trend of out-performing the universities on all employability indicators (eg: 69% of HE colleges met or exceeded the UK average compared to 61% of universities). The comparison between HE colleges and universities is even more marked when one looks at projected learning outcomes and efficiencies, with 83% of colleges meeting or exceeding the UK average compared to only 65% of universities.

Leadership, governance and management

23. The profile of leadership, governance and management within the sector has been raised over the last few years. While we believe that the sector is essentially well managed, we also know that moving towards a more market-driven and specialised sector will inevitably demand more of institutions. Within this overall context, it is interesting to note that HE colleges have always operated in more of a market than their university colleagues. The need to sustain academic and financial health is paramount, as HE colleges do not get bailed out to the same extent as the universities if things go wrong, but are, instead, often encouraged into mergers with other HEIs. As a result, the success and viability of HE colleges depends to a great extent on the effective leadership, governance and management of the institution.
24. The colleges of higher education have similar governance arrangements to the post-92 universities. This ensures that their governing bodies are relatively small and must have a majority of external governors. SCOP has been active in supporting effective governance in higher education colleges through a HEFCE-funded Good Management Practice project. This has developed a website for governors and governance professionals (www.hegovernance.ac.uk) with a wide range of useful information, examples of good practice (both public and private sector) and hot links to relevant national and international materials. A professional network for governors, clerks and senior managers has also been established to facilitate good practice. Our rationale for developing this project was to move towards a more dynamic model of governance which will be needed as we move towards a sector where institutions identify their key strengths and niche markets.
25. SCOP is also a partner with Universities UK and the HE funding bodies in the establishment of the Leadership Foundation and welcomes the funding allocated to this initiative in the HE White Paper. For the Leadership Foundation to flourish, it is essential that the framework is both inclusive and challenging and provides a wide range of relevant and high quality activities, appropriate to the needs of the whole sector. The findings of this review in relation to leadership and management will also need to be factored into the framework for the Foundation.

Conclusion

26. Higher education colleges provide many examples of successful two-way relationships with their key sectors on a mutually-supportive and equitable basis. In many instances, they are seen as more user-friendly and approachable by employers and other agencies (this is often due to their more specialist and professional foci and relatively smaller size). The colleges also make a major contribution to community regeneration - transforming and raising the aspirations of communities rooted in old industries. Knowledge transfer is a core activity which is embedded across their work in teaching and research.

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