

Finance Committee  
National Assembly for Wales  
Pierhead Street  
Cardiff  
CF99 1NA

[SeneddFinance@Assembly.Wales](mailto:SeneddFinance@Assembly.Wales)

Dear Sir/Madam

### **Finance Committee Consultation on Future Funding**

Universities Wales represents the interests of universities in Wales and is a National Council of Universities UK (UUK). Universities Wales' Governing Council consists of the Vice-Chancellors of all the universities in Wales and the Director of the Open University in Wales. There are a number of matters that we would like to highlight in relation to the future funding consultation that you are currently undertaking.

Universities Wales believes that the devolution settlement could well be improved by means of the transfer of more powers to Wales, but, that should not discourage voluntary policy coordination between the UK administrations where the nature of the policy area concerned has critical cross border elements. Since devolution, decisions in England, Northern Ireland, Scotland and Wales have had clear mutual impacts which merit discussion and careful consideration before major decisions are taken. In an area of public service delivery that has a crucial UK wide dimension, the need to develop policy with cross border ramifications in mind is essential.

For the HE sector in Wales to work to the best of its ability with partners in other UK nations, and across the world, maintaining productive and efficient intergovernmental relations is critical. The memorandum of understanding between the UK Government and the devolved administrations sets out these principles. The memorandum covers communication, consultation, the exchange of information and other matters. Although there is little evidence relating to this formal machinery and its effectiveness in coordinating HE policy, UUK's paper on devolution<sup>1</sup> and HE argues: "the UK government's policy making process often considers devolved concerns late, or not at all, and remains underdeveloped", and continues that this does not apply to links between the HE funding councils where there are long established arrangements for coordination and liaison. There is still work to be done to develop and enhance the communications, exchange of information and consultation between governments, and we would urge further evidence

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<sup>1</sup> Universities UK – Devolution and higher education: impact and future trends

<http://www.universitiesuk.ac.uk/Publications/Documents/DevolutionAndHE.pdf>

collection on the effectiveness of existing arrangements to be utilised in improving relations. Proper, formal channels between UK HE policy making officials should be established and utilised as soon as practicable. Devolution rightly means that decisions on HE policy are made in Wales, taking into account Welsh needs. In reality, HE policy is influenced by factors outside the UK, although these factors affect all the UK administrations. The Bologna process for example is designed to introduce a system of academic degrees that are easily recognisable and comparable, promote the mobility of students, teachers and researchers, ensure high quality teaching and incorporate the European dimension into HE. The European Union is now a big influence on research and innovation, with major funding drivers to drive policy across the area. Thus, devolution for our universities is not just a question of how the UK nations work together, but how they work with partners beyond our shores. The focus and understanding of devolved policy amongst key UK agencies and departments working overseas is therefore crucial. Effective communications relating to the different policy contexts, for example how the different fees and funding regimes in the different UK nations operate, is critical. Whilst each nation has a different 'offer', we believe that governments should work together to increase understanding of the differences and what each of the policy contexts mean in practice to different groups. UK nations must be able to successfully compete in the global market.

Universities Wales sees the cross border nature of higher education both as a strength and as a future opportunity. The success of universities in Wales is dependent, not only on our ability to engender skills and prosperity in our local communities, but our ability to secure cross border students, research funding, and business partnerships, which will in turn directly benefit our communities. Any changes to the devolution settlement for Wales must benefit both the HE sector as well as the population of Wales. Universities need a policy framework at a Wales and UK level that facilitates the development of appropriate national policy, and not inhibit it. We trust that, as the Finance Committee considers future funding, that it will consider the need for collaboration by the Welsh Government and the UK Government, Ministers and officials at the different levels of government to ensure that universities are assisted in our efforts to create a learning society and enhance the knowledge economy in Wales.

Yours faithfully



Amanda Wilkinson  
Director