

16 October 2008

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Dear John

Strategically important and vulnerable subjects (SIVS)

In your January 2008 grant letter you highlighted the importance of science, technology, engineering and mathematics (STEM) subjects in all areas of our work. I am writing to report on the progress of our £350 million programme of support for STEM and other key vulnerable subjects.

This programme has been reviewed by an advisory group, chaired by Professor Sir Brian Follett, and I enclose its report. I also enclose 'Sustaining science and other key vulnerable subjects in higher education' which we have prepared for MPs, peers and other interested parties so that the success of the programme, which involves a wide variety of partnerships, can be appreciated more widely. Your predecessor Alan Johnson asked us to review and report to the Secretary of State on the programme.

The following subjects have been designated as strategically important and vulnerable:

- science, technology, engineering and mathematics
- area studies and related minority languages
- modern foreign languages
- quantitative social science.

Working with universities, schools, learned societies and the Government we have made a series of strategic investments. I am delighted to report that our six-year programme to support these subjects is beginning to bear fruit, although there is still much to do.

The increase in demand from students in STEM subjects which you noted in the grant letter has been sustained. The latest figures from UCAS show that in 2008-09 universities' acceptances of students in mathematics were likely to have risen by 8.1 per cent from 2007-08. Chemistry was expected to be up by 4.4 per cent, and physics by 3.3 per cent. The

increasing numbers of students shows that these key vulnerable disciplines are far healthier than they were three years ago, when our programme began.

The programme, running from 2005-06 to 2010-11, involves both demand-raising activities and capacity building. It includes:

- investing £15 million in pilot projects over four years to generate interest in chemistry, physics, mathematics and engineering among young people, and to enhance the accessibility of HE courses in these subjects
- providing an additional £100 million to sustain very high-cost and vulnerable science provision while this demand-raising activity takes effect
- working with Research Councils UK to enhance national research capability in strategically important and vulnerable areas of science, social science and languages
- investing with Regional Development Agencies to enhance science capability in areas where there are concerns about the vulnerability of specific provision.

The report, which was prepared by the advisory group, concluded that HEFCE's programme of support for key vulnerable subjects was appropriate and proportionate. HEFCE's investments are being delivered in a professional and thorough manner and are gaining much greater leverage through partnerships with other agencies.

The way forward

As the various strands of our programme take effect and become embedded in the work of universities and schools, we can expect the momentum to increase.

Following the Follett review we are planning a number of changes:

- We have accepted the advice of the advisory group that we should integrate our programme of work on employer engagement and enhancing higher level skills in the workplace with our activities on key vulnerable subjects.
- On the demand side we are looking to bring the lessons learned from the various pilot initiatives in STEM subjects into one general programme. As noted above, the next stage of the national programme will also focus on developing higher level skills among adults in the workplace.
- Land-based studies will no longer be considered vulnerable. Although designated vulnerable by an earlier advisory group, a review chaired by Professor Maggie Gill found no widespread evidence of a general threat to the sustainability of land-based studies provision.
- We have acted on key recommendations of the Gill review. Harper Adams University College, for example, will use £4 million of HEFCE funding to set up the Rural Employer Engagement Development Network in collaboration with the Royal Agricultural College and the Landex group of specialist land-based colleges. This scheme will provide courses for businesses in the land-based sector.
- In line with recommendation 7.15 from the Sainsbury Review, our SIVS advisory group will extend its remit to include an annual report on graduate supply and demand. Peter

Saraga, the former managing director of Philips Research Laboratories UK, has agreed to chair the advisory group.

We will next review our SIVS policy framework and list of vulnerable disciplines in 2011, but we will, of course, offer further advice to you before then if we believe this is necessary. In the meantime, David Eastwood and I would of course be very happy to discuss this with you when we next meet.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim', with a large, sweeping initial stroke.

Tim Melville-Ross

Chair, HEFCE

Copy: David Lammy MP

Minister of State for Higher Education and Intellectual Property

Enc: Report of Professor Sir Brian Follett's strategically important subjects advisory group
Briefing for MPs and peers 'Sustaining science and other key vulnerable subjects in higher education'