

**Getting
Results**

 Universities
UK

OCT 2022

Our universities: generating growth and opportunity



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Foreword by Professor Chris Day

Our universities are an integral part of their local communities, with roots in their localities running deep.

Universities are invested in both the immediate and long term success of our local communities, contributing to addressing economic and social disparities and enhancing the communities we are part of.

However, we as universities want to do even more. We must capitalise on and celebrate our strengths.

Universities:

- are talent, innovation and enterprise factories
- are engines of opportunity
- are magnets for collaboration, partnership and investment
- multiply and add value to every pound invested in them

We also must go much further to scale up, reach out and maximise the value we can bring to make the UK a true creative, health, enterprise and science superpower.

To do this, the government must work with universities to:

- establish University Enterprise Zones (UEZs), or their equivalent in devolved administrations, in every university
- engage more communities through the establishment of collaborative enterprise and opportunity hubs targeted in left-behind places
- revamp sector deals to make the UK is the best country in the world for university-employer partnerships
- involve universities in national, devolved and local policy-making in every part of the UK

These actions are essential if the UK is to recover from the pandemic, weather the cost of living crisis and create the growth needed for future success.

Across the UK, universities stepped up when it came to supporting our communities, businesses, hospitals and cultural institutions to get through the terrible experience of Covid-19. Now we face new challenges, including the increased cost of living. It is right that the government focuses on, and challenges all of us to correct the inequalities of the past and support every region, city, town and rural community.

Addressing these challenges requires a collective mobilisation of assets, resources and energy – with universities at the centre.

We are already willing partners and supporters in City and Region, Devolution and Town Deals, Civic University Agreements, skills partnerships with colleges, local partners and employers and business support. And we must not stop there. There needs to be increased commitment, collaboration and investment from all sides.

Our universities are key local, national and international assets that can help achieve prosperity, opportunity, and wellbeing. We're some of the best in the world in research, skills development, innovation, and enterprise.

What we have achieved so far is only the tip of the iceberg of what universities could do. Now is the time for universities, colleges, national and local governments, employers and other partners to join together to do everything we can to support growth, jobs and opportunity across the UK.

Professor Chris Day

Chair, Universities UK Economic and Social Recovery Task Force
Vice-Chancellor, Newcastle University

Executive summary



This report puts forward practical actions to address economic and social disparities across the UK.

It sets out the evidence of the impact universities are making across three main themes, outlines the potential to go further, and makes recommendations for how the government can work with universities to maximise their contributions to generating growth and opportunity across the UK.

The recommendations set out in this report will build on the strong track record of universities – where every pound committed to universities results in jobs, innovation, economic growth, investment and effective and successful policies.

If universities, governments, and employers act together on these recommendations, we will achieve our collective ambitions for the future of the UK and demonstrate our commitment to supporting regions and localities. It is only through doing so will we reach communities in the greatest need.

Our 4 main asks of the UK Government

Of the recommendations set out in this report, we have 4 main asks of the government.

We ask the government to:

1. Rapidly expand the University Enterprise Zones (UEZ) programme across England and their equivalents across the UK

UEZs are providing space for start-ups, supporting collaborative research projects, boosting university partnerships with employers, creating jobs, helping to meet skills needs and providing opportunities for apprentices.

In devolved settings, universities are playing the same role in in a different policy and funding context. For instance, in Scotland, universities are at the heart of Innovation Centres and in the development of Tech Scalars.

We recommend that the government enable universities to grow this role.

In England, UEZs should be established in all universities, helping to scale up these activities. In devolved settings, the government should equip universities to work with partners to underpin cluster development and helping to generate, attract and anchor growth and opportunities.

2. Create enterprise and opportunity hubs across the UK

There are excellent examples of universities reaching out to communities through the establishment of collaborative shared spaces, for example in Burnley, Dundee and Gloucester.

They provide a range of activities developed in partnership with local communities and businesses to meet their needs. They have a presence in bricks and mortar, signalling the clear commitment and ambition of those involved.

There is a need to dramatically scale up these activities, reach out and raise our ambition.

We recommend that the government create more enterprise and opportunity hubs across the UK. These shared spaces should engage all universities and colleges, reaching out to towns and communities that have been left behind and working with them to bring opportunity, investment and optimism.

These hubs should bring together:

- start-ups
- volunteering and community groups
- research collaboration and training with employers
- the provision of flexible apprenticeships
- remote working spaces
- a strong focus on sustainability

3. Support universities' involvement in a new range of sector deals

Employers of all types, shapes and sizes are key partners in delivering growth and innovation.

We recommend that the government support universities' involvement in a new range of sector deals to share intelligence, develop collaborative strategies to help meet skills and talent needs, future-proof the workforce and increase opportunities across the UK.

A sector deal is a plan of action that comes out of strategic discussion between business leaders. Sector deals highlight and promote how universities can work with different sectors to meet skills needs, promote growth, support productivity and engage communities.

By engaging with supply chains and supporting smaller firms and cluster development, larger employers will have a key role to play in working with universities to reach out across the UK to boost economic growth and increase opportunities.

Larger employers and sector leaders should be actively encouraged to engage with sector strategies and, through them, promote and support the development of UEZs (and their devolved counterparts) and local enterprise and opportunity hubs.

The new sector deals should have a strong focus on engaging small and medium-sized enterprises (SMEs). They should mobilise the knowledge assets of universities and the support of larger employers to promote and drive the growth of clusters and investment across the UK.

4. Embed and engage universities in local, devolved and national initiatives and policymaking

With their many connections with employers, local partners and institutions and communities, universities can add significant value to government plans for local engagement.

Universities should be key partners in local initiatives and policymaking, with clear opportunities developed to support local initiatives where there is no local university. Universities have the experience and the skills to rapidly develop, share and, with support, implement what works.

We recommend that the government embed universities in local, devolved and national initiatives and policymaking. This should include initiatives such as the development of the UK Shared Prosperity Fund (UKSPF) and collaborating with the Levelling Up Directors and sharing knowledge and experience with both the Leadership College and the local government data unit.

Our recommendations in full

Our recommendations for the UK Government fall under three themes:

- Supporting jobs and prosperity
 - build on the Help to Grow scheme
 - rapidly expand the University Enterprise Zone (UEZ) programme across England, and their equivalents across the UK
 - bring universities into economic and social planning
 - ensure the UK Shared Prosperity Fund (UKSPF) encourages strong engagement between local authorities and universities
- Boosting skills and opportunities across the UK
 - support universities' involvement in a new range of sector deals
 - develop a strategy to grow apprenticeships and to engage and support SME partnerships
 - in England, make all learners eligible for the Lifelong Loan Entitlement (LLE)
 - retain investment in collaborative infrastructure, such as Uni Connect
 - build on and complement local and regional collaboration with universities
- Building pride in place and local communities
 - create enterprise and opportunity hubs across the UK
 - embed universities in new development initiatives



Kerry is a mental health practitioner and Wrexham Glyndŵr University graduate

[Find out more](#)

Supporting jobs and prosperity



How are universities already supporting jobs and prosperity?

- Graduate start-ups and university spin-outs generate nearly £5 billion in turnover every year across the UK. Businesses with such links to universities are more likely to survive than other comparable businesses.
- Investing in partnerships between universities and enterprises is excellent value for money. For every £1 the government invests in University Enterprise Zones (UEZs), UEZs generated an additional £4.50 in funding.
 - Similar returns are found for investment in initiatives in devolved settings. For example, Interface generates over £5 GVA for every £1 invested.
- Engagement between universities and enterprises on research and development (R&D) has increased dramatically over the course of the past five years, with the value of university-led contract research rising 50% and universities leasing their facilities for businesses over 16,000 times a year.

Our recommendations

To build on this collaboration and create even stronger local communities, we ask the government to:

- build on the Help to Grow scheme
- rapidly expand the University Enterprise Zone (UEZ) programme across England, and their equivalents across the UK
- bring universities into economic and social planning
- ensure the UK Shared Prosperity Fund (UKSPF) encourages strong engagement between local authorities and universities

Universities and the business ecosystem

Universities play an important role in the UK's business and innovation ecosystem: their network of labour, skills, research and development (R&D) and commercial activity is an important part of efforts to kickstart growth and opportunity across the UK.

In 2020–21, combined graduate start-up and university spin-out activity in local areas generated nearly £5 billion in turnover across the UK. Academic spin-outs attracted £2.54 billion in equity investment in 2021, and according to research by the Royal Academy of Engineering are more likely to survive than the average start-up.

Our research suggests that universities have the potential to provide support to businesses and charities worth more than £11.6 billion over the next five years, creating 21,650 new businesses and charities and attracting around £21.7 billion in research funding across the towns and regions of the UK.

Supporting local productivity and jobs

Universities support existing businesses of all types by using their infrastructure, facilities and expertise to drive local collaboration leading to greater innovation, boosting productivity across the UK.

An example of universities supporting local productivity and jobs is the Knowledge Exchange Concordat, with over 100 universities across the UK reviewing the range and impact of their knowledge exchange activities and setting ambitious targets for growth and development. Similarly, in Scotland each university has set out a Universities Innovation Fund Plan.

These activities include local regeneration, business support, enterprise and skills development. Universities have strong networks and will use them to share and develop good practice, so they can learn from each other and partners to achieve more, and achieve it more quickly.

The government should harness these networks and UUK's wider membership to increase the potential of universities' work to spread opportunity and reduce economic inequality.

Building on the Help to Grow scheme

Universities also play a strong role in upskilling UK entrepreneurs. As of March 2022, 38 UK universities are offering [Help to Grow: Management courses](#) as part of the government scheme.

We recommend that the government build on the excellent Help to Grow scheme to enable SMEs to recruit the talent to deliver growth. We recommend the government set up a follow up 'Make it Grow' programme, focusing on recruiting students to support specific projects, internships and apprentices.

SMEs are key employers and sources of potential jobs growth and are particularly important in regions and localities where there are few large employers. The projects that have been part of the [European Structural and Investment Funds \(ESIF\)](#) and the Help to Grow Scheme have both shown the added value, innovation and growth that can be generated with SMEs through collaboration with universities.

Supporting the growth of SMEs

We must do everything we can to ensure that SMEs can secure the talent and support they need to grow.

To significantly increase growth, innovation and employment, the government should work with universities to:

- double the number of SMEs that use graduate talent (in part through an extension of the Help to Grow scheme)
- double the number of SMEs that have business support from universities (in part through the enterprise and opportunity hubs)

[A 2020 report by the National Centre for Entrepreneurship in Education \(NCEE\)](#) outlines how 89% of surveyed university leaders across the UK reported that entrepreneurship activity provided by their university had increased over the past three years, and that social enterprise activity had also increased slightly or significantly for 65 percent of respondents.

The same report outlines that 98.3% of universities provide extra-curricular support for enterprise and entrepreneurship that is not part of any academic qualification, and over 80% of universities run ideas competitions, enterprise awareness events and festivals, careers service events and workshops and provide mentoring for start-ups.

Case study: University of Essex's UEZ

The University of Essex UEZ's Space to Grow programme has:

- held 50 webinars attended by close to 1,000 businesspeople
- delivered 444 one-to-one mentoring meetings with 168 entrepreneurs
- helped numerous start-ups refine their pitch for investors.

The Angels@Essex investment platform launched by the UEZ has secured £3.49 million for companies on its platform and £4.22 million in pledged investment. The Angels@Essex team has spoken to 168 businesses and registered 34 opportunities. There are now 93 investors on Angels@Essex, representing syndicates and fund managers alongside high net worth individuals.

Expanding University Enterprise Zones (UEZs)

One of the success stories of cooperation between universities and businesses is the University Enterprise Zone (UEZ) initiative. Launched in 2014, UEZs encourage universities to strengthen their roles as strategic partners in local growth and to stimulate development of incubator or 'grow-on' space for small businesses in locations that encourage businesses to interact with universities and to innovate.

A 2020 evaluation of UEZs found that for every £1 of UEZ funding provided by government, UEZs generated £4.50 of additional public and private funding.

Given the success of UEZs, we recommend that the government rapidly expand the UEZ programme across England and for devolved administrations to consider similar developments in the context of UK and devolved economic policy.

There should be such an initiative in every university across the UK, raising the profile of what universities are already doing, supporting the scaling up of engagement between universities and businesses and driving local opportunities and growth.

Research and development (R&D)

Universities' research activities attract investment, make world-leading discoveries, generate knowledge, and create and nurture new, innovative businesses and jobs across the UK.

Supporting businesses

Universities support existing businesses of all types by using their facilities and expertise to drive local collaboration. They encourage private sector investment into R&D by developing collaborative relationships with businesses.

These relationships:

- de-risk investment in new areas of research
- provide access to skills and facilities
- build capacity and capabilities of research
- help develop clusters of investment and activity for both foreign and private sector R&D investment

For example:

- Siemens has invested heavily into Newcastle and Sheffield universities to develop energy and digital innovation programmes
- Tata Steel has invested in Swansea University's engineering programme
- AstraZeneca has invested in the Glazgo Discovery Centre at the University of Glasgow

Local impact

As inherently global as well as local organisations, universities leverage their international connections to attract major foreign direct investment into R&D programmes that catalyse innovation-led growth and creates skilled jobs across the local economy.

Often working together with local councils, universities have actively contributed to local research and innovation ecosystems through major development programmes such as the Community Renewal Fund and Towns Fund, with great success.

Universities were by far the leaders in research and innovation projects funded by the European Structural Investment Funds (ESIF), the predecessor funds to the UK Shared Prosperity Fund (UKSPF), allocated to the UK between 2015–2023. 69% of all research and innovation projects were lead or managed by universities.

49.9% of all SME-related projects funded by ESIF were lead or managed by universities. In left-behind areas, SMEs and SME support are often critical for employment and business growth.

Case study: Cardiff University's FLEXIS app

Cardiff University's FLEXIS app helps drive green and economic growth across Wales, through industrial partnerships collaborating on the commercialisation of research to decarbonise future energy supply.

This has been done through projects including optimising the capture, storage and release of heat from industrial waste, developing world-leading artificial intelligence and machine learning algorithms, and developing a decarbonised combined heat and power system.

Since the project began, FLEXIS has generated over £25 million in research income, recruited 95 new researchers into Welsh universities and invested over £2.4 million into research equipment and technology to aid current and future research.

Research accelerators and incubators

Universities play a particularly important role in fostering research accelerators and incubators across all parts of the UK.

University research incubators and accelerators allow entrepreneurs to use knowledge, technical equipment, funding, and ideas that can be hard to access otherwise.

A 2017 Nesta report highlights how all business incubators in the North East of England relied on university or public funding. In the West Midlands, Wales and Scotland, that figure stood at 40%. The same report discovered that overall, incubators and accelerators across the UK support around 3,450 and 3,660 new businesses per year, and therefore represent an important component of the start-up ecosystem.

Accelerators and incubators connected to universities are associated with faster sales and job growth in participating businesses than those not connected to a university. Being connected to a university also has a positive effect on business survival.

Unlocking support for SMEs

Universities play a key role in delivering contract research and consultancy to businesses across the UK and developing knowledge assets.

Data from the Higher Education Statistics Agency (HESA) shows that in 2020–21 higher education providers provided their facilities for use to companies 16,999 times across the UK. This figure does not include simple commercial activity like providing conference facilities – it specifically captures innovative activity, such as an aerospace company using a university’s wind tunnel, or media company using a local university’s digital media suite. The same data shows that the value of contract research done for SMEs has increased from £48 million in 2014–15 to more than £72 million in 2020–21 – a 50% increase.

This contribution to innovation does not stop at research projects and business incubators. The Department for Business, Energy and Industrial Strategy (BEIS)’s UK Innovation Survey 2021 notes that science, technology, engineering, and maths (STEM) graduates make up a greater share of the workforce in highly innovative businesses than in less innovative businesses. In fact, these businesses had recruited an even greater share of their workforce from graduates across all disciplines.

Universities will play a critical role in unlocking support for SMEs and R&D projects across the UK’s regions and nations. The government’s commitment to spending 2.4% of GDP on R&D, along with the associated commitment to £22 billion in public investment in R&D by 2024–25, is therefore very welcome.

Bringing universities into economic and social planning

We recommend that local and combined authorities, other regional governance structures across England and devolved nations should systematically bring universities into economic and social planning to build on existing relationships and ensure a wide-reaching and long-lasting effort to support economic growth and communities.

For example, they can work with universities on creating enterprise incubators and accelerators to support start-ups and boost local job creation. They can also work together on innovation programmes that increase the competitiveness of SMEs.

The success of future R&D growth depends upon growth in the skilled workforce needed to deliver it. Professional and technical roles are unevenly spread across the UK, with some regions having a significantly lower proportion of their workforce in professional and technical roles. Our proposed enterprise and opportunity hubs should play a role in boosting professional and technical opportunities in these regions and localities, creating routes to these roles for local people.

The UK Shared Prosperity Fund (UKSPF)

We need to ensure that universities can deliver on their long term commitment to delivering increased opportunities and reaching out to enterprise and opportunity hubs.

The commitment in England to a longer term basis for Higher Education Innovation Funding (HEIF) makes an important contribution. The University Innovation Fund in Scotland, the Research Wales Innovation Fund and the Northern Ireland HEIF are also underpinning and stimulating university activity. We need to ensure that all of these funds continue to grow and are funded on a long term basis.

We support the government's UKSPF and its ambitious goals for supporting opportunity across the UK. Universities throughout the UK have for many years successfully worked with local councils to deliver ambitious projects through the Towns Fund, Levelling Up Fund, and the predecessor to the UKSPF, ESIF.

The UKSPF needs to ensure that funded projects in universities continue. Universities also need the declining real value of support for tuition – be it fees or funded places – to be addressed. Without UKSPF and the wider financing of universities being addressed, we risk losing the very support activities that underpin prosperity and are the foundation for our ambitious plans.

University-led projects funded by ESIF

There are currently 192 university-led projects in England, funded by £412 million of ESIF money, providing high quality skills training, and supporting local pay, employment, and productivity growth, with half working with SMEs. In Wales, there are 53 projects led by universities with £300 million investment from ESIF. 50.3% of university projects are explicitly related to supporting SMEs, and 21.6% of the projects are related to research and innovation.

ESIF funded R&D projects also often have strong synergies to Horizon 2020 programmes, which fund excellent internationally collaborative research, with international research correlating with higher impact research outputs.

Case study: University of Manchester's Bridging the Gap programme

The University of Manchester's Bridging The Gap programme, delivered by the Graphene Engineering Innovation Centre (GEIC), accelerates the adoption and commercialisation of graphene and 2D materials.

The programme has engaged with more than 200 SMEs, generating new products and jobs, and has enabled a thriving start-up community. The project is receiving £1.9 million from ESIF, which will end in December 2022.

Using UKSPF to work together

We hope that such successful collaboration between universities, local councils, and businesses will continue with the UKSPF. However, with European funding ceasing by the end of 2023–24, as many as 164 university led projects could stall or stop if their funding isn't picked up through the UKSPF.

Uncertainty on the level of funds available for projects and tight timescales for building relationships between universities and local councils could leave significant gaps in funding, putting vital community projects and the jobs of experienced staff at risk.

We recommend that the UKSPF should encourage strong engagement between local authorities and universities. The UKSPF should also facilitate working together on both regional and national levels. The fund should provide, at a minimum, equivalent levels of funding for local research and Innovation activity previously provided by ESIF, including to the devolved nations.



**Alishba is a mentor from
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[Find out more](#)

Boosting skills and opportunities across the UK



How are universities already boosting skills and opportunities across the UK?

- Of the 2.61 million new jobs added to the economy between 2008–18, 90% were in the highest skilled roles requiring university or equivalent education. In 2021–22, graduate vacancies increased by 22%, the highest rate in the last 20 years.
- Between 2021–25, universities will train approximately half a million nurses, doctors, and other health and care professionals. Demand for degree apprenticeships starting at level 6 increased by 21.2% in England in 2021–22.
- In 2005–06, 14.2% of school pupils who received Free School Meals at age 15 in England entered higher education by age 19. By 2019–20, that figure had increased to 26.6%.
- In Scotland, the sector is ahead of the milestones for ambitious 2030 targets, with 16.7% of full-time first-degree entrants to university from a Scottish Index of Multiple Deprivation (SIMD20) background.

Our recommendations

To unlock the full potential of boosting skills and opportunities across the UK, we ask the government to:

- support universities' involvement in a new range of sector deals
- develop a strategy to grow apprenticeships and to engage and support SME partnerships
- in England, make all learners eligible for the Lifelong Loan Entitlement (LLE)
- retain investment in collaborative infrastructure, such as Uni Connect
- build on and complement local and regional collaboration with universities

The skills gap and training the future workforce

Universities teach over two million students every year and provide hundreds of thousands of highly qualified and skilled graduates. These graduates go on to work across all sectors of the UK's economy or to pursue further study and research.

Universities have a long track record of engaging a wide range of employers to inform and deliver their provision and support and inspire their students. Almost half of this provision is vocational and technical, directly informed by employer need.

Universities have enthusiastically developed higher level apprenticeships across the UK. In England, they are helping to develop Higher Technical Qualifications. Between 2021–25, universities will train approximately half a million nurses, medics, and teachers.

Growing demand

The increasing demand for highly-skilled and graduate labour is a major global trend that will only continue to grow. According to the Resolution Foundation, of the 2.61 million new jobs added to the economy between 2008–18, 90% were in the managerial, professional, and associate professional categories. This means that the overwhelming majority of jobs created over the ten years were in the highest bracket skillset – one that needs robust university support to ensure that the workforce is adequately skilled to handle the jobs of the future and deliver growth.

Furthermore, graduate vacancies have increased in 2021–22 by the highest rate (22%) in the last 20 years. The Organisation for Economic Co-operation and Development (OECD)'s Skills for Jobs database estimates that while 14% of the UK workforce are overqualified for their current role, almost twice that number (27.7%) are underqualified.

Many of the UK's fastest growing industries are reliant on highly skilled graduates, such as artificial intelligence, green technology and the creative industries, with demand for graduate skills growing in many sectors of the economy.

Universities can play a key role in providing SMEs and larger corporations with the skills and talent that they need to succeed and grow. This is especially true for universities operating in non-metropolitan areas, where finding qualified employees can be more challenging.

Case study: University of Sussex's Covid-19 internship programme

University of Sussex students helped local businesses and organisations hardest hit by the pandemic through their Covid-19 internship programme.

30 intern positions were designed to support local businesses looking to bounce back from the impact of Covid-19 and frontline services helping those left most in need.

The scheme was heavily oversubscribed for both employers and students, highlighting the level of interest and need for the support being offered.

Working with employers

The challenges with current labour and skills shortages provide an opportunity and motivation for universities, colleges and employers to boost their collaboration and reach out to and develop all available talent in all parts of the UK. We need a combined local, regional and national effort to achieve this.

As well as recommending that the government work with universities to facilitate local partnerships and create enterprise and opportunity hubs, we're also recommending a revamped range of sector deals.

These sector deals will aim to:

- boost engagement between universities and employers
- share intelligence
- have a specific focus on developing collaborative strategies to address sector skills and talent needs, future-proof the workforce and increase opportunities across the UK.

These sector deals could also build upon the [Regional Tertiary Pathfinders](#) initiative in Scotland.

[Universities already partner with employers in many ways](#), but driving growth and opportunity across the UK calls for increased and ambitious collaboration.

We should aim to be the best place in the world for collaboration between universities and employers, to help stimulate and attract investment. Our proposal for revised sector deals could provide the strategic leadership and collaboration needed to power increased collaboration and deliver on our ambitions.

Degree, graduate, and higher apprenticeships

Degree, graduate and higher apprenticeships are a UK-wide success story, strengthening employer engagement, meeting skills needs and providing opportunities.

In England, 100 universities are registered to provide degree and higher apprenticeships. Demand and provision are increasing: apprenticeships starting at level 6 and above increased by 21.2% in 2021–22.

These degree apprenticeship programmes are directly informed by employer need, providing highly skilled vocational and technical skills to graduates, employers, and local communities. For example, York St John University's degree apprenticeships programme works with employers, including healthcare providers, to offer professionals from a variety of sectors the opportunity to gain degree qualifications.

Current degree apprenticeships are already raising educational standards in policing, strengthening leadership in regional businesses, and improving patient care in the NHS.

Growing degree apprenticeships

We recommend that the government works with universities to put together a strategy to grow apprenticeships.

In particular, the strategy should:

- engage and support the participation of SMEs in apprenticeships
- grow the number of apprenticeship standards and attract recruits in sectors that are lagging behind through revamped sector deals
- commit to enhancing the opportunities for a wider talent pool to take advantage of apprenticeships

We also need to share learning and experience of what makes apprenticeships most successful across the UK.

We want to work with the Institute for Apprenticeships and Technical Education (IfATE), the Department for Education, BEIS, the Association of Colleges (AoC) and the devolved nations to develop a growth plan.

Underpinning this, we want local enterprise and opportunity hubs to take a leading role in promoting apprenticeships, including flexible provision and setting up apprenticeship training agencies to specifically engage SMEs.

Case study: Northumbria University's Police Constable Degree Apprenticeships

Northumbria University has joined forces with both Northumbria Police and Durham Constabulary to deliver the Police Constable Degree Apprenticeship (PCDA).

The PCDA aims to educate the next generation of police officers. They attract talent from diverse and varied backgrounds.

The university's world-class experts in crime, forensics, business and law are working in partnership with Northumbria Police and Durham Constabulary to equip new officers with the skills and knowledge they need to help prevent and respond to the changing face of crime.

The Lifelong Loan Entitlement (LLE)

Universities are ready to engage with LLE reforms in England that will enable learners to train, retrain and upskill throughout their life by providing greater choice and flexibility.

Learners having access to high quality and specialised learning opportunities, irrespective of funding arrangements within the UK, is vital to maximise opportunities for both learners and employers. While the reforms currently only apply to England, many businesses will have staff located at multiple locations across the UK.

Lifelong learning can create a talent pipeline that boosts growth, productivity, and innovation across the UK. Reforms such as the LLE are essential to the success of the government's ambitions to deliver growth, and should support student access to the best opportunities for them across the UK.

Universities are ready to work even more closely with industry and colleges to design courses that appeal to both employers and students so flexible learning takes off in this country.

Expanding access to the LLE

We recommend that in England, the government should make learners of all ages eligible for the LLE. The government should also remove the remaining Equivalent or Lower Qualification (ELQ) rules.

As part of this, free careers advice should be accessible to all ages. This would support learners of all ages, including those in work and those looking to get back into work or upskill. The LLE should also support student mobility, enabling them to access the opportunity that is the best fit for them wherever it may be in the UK.

Developing skills

Universities act as anchor institutions. This means that universities:

- are largescale employers
- purchase large amounts and goods of services in their local areas
- speak to many stakeholders
- are intimately tied to their places through their histories and physical buildings

As anchor institutions, universities can bring employers and educational providers together to build a more connected and responsive skills system.

Employers, local partners and colleges have a shared stake in this skills system. The rollout of the [Local Skills Improvement Plans \(LSIPs\)](#) in England and the role of Skills Development Scotland, along with the [Unit for Future Skills](#), will help give universities the tools and the data to meet the country's skills needs.

Universities must be embedded in these activities to engage all talent, including graduates, and complement our proposed new sector deals.

In Scotland, universities have been developing modules over the last two year to support upskilling and reskilling through the [Scottish Funding Council \(SFC\)](#)'s Upskilling Fund. This includes learning which prepares students for the world of work and successful long term careers. It prioritises provision that meets known skills gaps in the economy. In partnership with the government, employers and colleges, this type of support needs to be extended and expanded for maximum impact.

Access and widening participation



Abolishing student number controls (in England) has been the standout levelling up policy of the last decade. Today students from disadvantaged backgrounds are more than 80 per cent more likely to attend the most selective institutions than a decade ago.”

Jo Johnson, former Minister of State for Universities, Science, Research and Innovation

Universities are drivers of social mobility, continuing to widen access to those from our most disadvantaged communities, including those on Free School Meals. In 2005–6, 14.2% of school pupils who received Free School Meals at age 15 in England entered Higher Education by age 19. By 2019–20 that figure had increased to 26.6%.

In Scotland, the sector is ahead of the milestones for ambitious 2030 targets, with 16.7% of full-time first-degree entrants to university from an SIMD20 background. In parallel, retention rates for those from SIMD20 backgrounds have increased year on year and now stand at 90.2%.

Likewise, continuation rates for both full-time and part-time students have risen steadily. Universities are dedicated to support all routes for learners to develop higher level skills, be it through traditional three or four-year undergraduate courses or different models of study to ensure that those who would benefit from upskilling but for reasons out of their control have not previously had the opportunity can now upskill.

The Levelling Up White Paper calls on higher education providers to work closely with schools and colleges to raise educational standards and support students from disadvantaged backgrounds, and to make sure that getting success at university is as important as getting in.

Developing a fresh approach

Our November 2021 report [Delivering a fresh approach to access and participation](#) supports this approach of universities in England playing their part in educational recovery and boosting school attainment. The report outlines key ways through which the higher education sector will further extend university access and student success in their local communities.

For example, universities will:

- focus on levelling up their local areas by collaborating with regional partners to address specific local needs
- build on the diverse range of existing partnerships between universities and state schools to raise attainment and aspirations
- commit to tackle differential experiences on campus
- focus on employability
- work with employers to support diversification of their graduate intake

Universities in Northern Ireland, Scotland and Wales are taking similar approaches. Universities Scotland set out a number of actions in its reports [Working to widen access](#) (2017) and [A guarantee of fairness when applying to a university in Scotland](#) (2019).

Case study: University of Bristol's Bristol Scholars scheme

The [Bristol Scholars](#) scheme targets local post-16 students studying in the city of Bristol.

Through the scheme, headteachers are asked to identify students who they believe have the potential to succeed academically, but whose grades are unlikely, for a range of reasons, to meet standard entry requirements.

These students receive a guaranteed tailored offer for undergraduate study at the university. Support is ongoing through the transition to university as they study, to ensure they have the best chance possible to excel on their chosen undergraduate programme.

From the 2017 pilot cohort, 76% were the first in their family to progress to higher education, 40% were part of the Free School Meals cohort, and 7% were young carers.

Investing in access and widening participation

We recommend that the government retain investment in collaborative infrastructure like Uni Connect, which allows players across the education landscape to pool resource and expertise to support and provide opportunities to some of the most disadvantaged young people.

We also ask for long term sustainable funding for Transforming Access and Student Outcomes in Higher Education (TASO), the university sector's 'what works' centre.

Working strategically with the NHS

Universities underpin our national health and wellbeing by:

- training our health and care workforce
- driving health research and innovation
- being local anchor institutions for community wellbeing
- improving health outcomes for students and graduates

Between 2021–25, universities will train approximately half a million nurses, doctors, and other health and care professions. These graduates are often from widening participation backgrounds and commonly stay in the communities where they train.

The UK's health research and innovation sector is also world-leading. The UK follows only the United States in the number of Nobel laureates for physiology and medicine. The life sciences sector is critical to health, wealth, and resilience, employing more than 250,000 people and generating an £80 billion turnover each year in the UK. Universities working with industry and the NHS provide a unique testbed for research and innovation that meets the needs of patients and communities.

We want to work with the NHS at the strategic level, drawing in experience from across the UK, to ensure that we can encourage and share effective and innovative ways of partnership working and embed this across the UK.

We recommend that the universities and the NHS work together to create a strategic dialogue. Working together across the UK, they should identify, develop and promote what works for effective collaboration and enhanced local economic and social impact.

Case studies

University of Edinburgh's Centre for Homelessness and Inclusion Health

The University of Edinburgh's Centre for Homelessness and Inclusion Health began as a space to bring together community partners in the field of homelessness together. It aims to encourage the sharing of ideas and the development of new initiatives to transform the health and wellbeing of people who experience homelessness.

Since it was established in 2017, it has built up strong partnerships, working across a range of different homelessness organisations in the city and with people with lived experience of homelessness. The centre provides opportunities for students and has recently developed digital technologies to assist the most vulnerable on the streets.

University of Suffolk's work with the local Integrated Care Systems (ICS)



The University of Suffolk sits at the heart of our Integrated Care System. It has been an extraordinary partner by developing with us the first Integrated Care Academy in the country, delivering a high impact programme of educational, research and service improvement initiatives in its first year. It is also key to our levelling up strategy. We are confident that the relationship will continue to blossom and create a genuine legacy of excellence in the East of England."

Ed Garratt, Executive Lead for the Suffolk and North East Essex Integrated Care System

The Suffolk and North East Essex Integrated Care System (ICS) has partnered up with the University of Suffolk to deliver the UK's first Integrated Care Academy, a multifaceted academy based at the university and fully aligned and integrated with ICS.

The academy is a partnership between all major players in local healthcare:

- Suffolk Council
- the local ICS
- Suffolk Mind
- Healthwatch Suffolk
- the University of Suffolk

With funding for the Integrated Care Academy, the University of Suffolk has doubled its undergraduate nursing intake. It has taken in 30 physiotherapy students this year and is set to double its current number of paramedic students from 50 to 100 next year.

Within the year, the academy will also provide the local community with:

- counselling and psychotherapy
- clinical appointments
- physiotherapy services
- a sports and exercise wellbeing clinic



**Kendra works at Teesside
University's partner,
Big River Bakery**

[Find out more](#)

Building pride in place and local communities



How are universities already building pride in place and local communities?

- Universities contributed around £52 billion to UK GDP and supported more than 815,000 jobs across England in 2018–19.
- 73% of UK university students either study in their local area or, if they migrate, eventually return to their home region after graduation to work.
- In 2019–20, 2.3 million people attended free public lectures put on by universities, 1.1 million attended free music, dance, and drama events at universities, and 5.9 million attended free exhibitions at university galleries or museums.

Our recommendations

To shift the centre of gravity for growth and opportunity to the rest of the UK, we recommend that the government:

- create enterprise and opportunity hubs across the UK
- embed universities in new development initiatives

Creating and fostering economic clusters

As anchor institutions, universities can leverage their networks, resources, and know-how to foster and create economic clusters – local networks of interconnected businesses, institutions and research projects working on a specific field in a specific area.

Universities can do this by:

- supporting small businesses
- connecting business in growth sectors with R&D expertise, facilities, and business incubators
- providing SMEs and businesses with the skilled workforce that they need
- creating opportunities for local people and first-generation students to access professional, highly skilled jobs

Most universities are working with employers to deliver degree apprenticeships and are developing new technical qualifications at level 4 and 5 in England. In Scotland, graduate apprenticeships were launched in 2017 and are currently available in 12 subject areas including ICT and digital, cyber security, data science, engineering, construction and business.

In many left-behind areas, universities are major economic and social players. They:

- bring investment and spending into local regions
- support economic regeneration efforts
- working with key partners, such as the NHS
- underpin future economic growth

Research has shown that investment in the higher education sector creates more jobs per pound than equivalent investment in construction, the manufacture of computers and electronics, public administration and defence or health sector.

Developing local innovation and skills

As regional anchors, universities can help to identify how to best support places and develop local innovation and skills ecosystems.

Research by MillionPlus and Jisc has shown that 73% of UK university students either study in their local area or, if they study elsewhere, eventually return to their home region after graduation.¹ This effect is particularly pronounced in the north of England, with North East and North West England following the national average of around 70%. In London, the South East and South West, the figure is closer to 50%.

Universities also attract thousands of international students into cities and towns.

The Graduate visa, or Post Study Work visa, and other visa routes provide opportunities to retain students in areas challenged by supply of skilled workers.

This means that universities are well-placed to align with the needs of local industry and close local skill gaps, especially in the north of England and the devolved nations. Universities should, at the same time, encourage the movement of graduates and distribute skills across the UK to address regional skills gaps.

¹ 48.4% of students study in their local area, and 24.7% study elsewhere but return to their home region.

Case study: Leeds Inclusive Anchors Network

The [Leeds Inclusive Anchors Network](#), which includes Leeds Beckett University, the University of Leeds, and Leeds Trinity University, use their role as anchor institutions to generate employment in local communities, improving the health of people who work for them, and sharing cultural capital.

These universities now spend on average 69% of their discretionary purchasing with local firms, 67% of which is with SMEs. This strategic leadership and collaboration have enabled them to work with suppliers to help businesses them grow.

Creating enterprise and opportunity hubs

We need to create enterprise and opportunity hubs across the UK that will engage all universities and colleges to reach out to towns and communities that have been left behind.

Enterprise and opportunity hubs should:

- host more UEZs
- bring together start-ups, volunteering and community groups, and research collaboration and training with employers
- provide flexible apprenticeships
- provide remote working spaces
- have a strong focus on sustainability

Case study: University of Gloucestershire's purchase of the Debenham's building

In Gloucester, [the University of Gloucestershire](#) has bought the city's [Debenhams building](#) to redevelop it into a vibrant new community environment that will help regenerate the city centre.

A new campus will be based in the building, bringing thousands of students into the centre, with benefits for retailers, hospitality businesses and leisure venues in the area.

The university will work in partnership with Gloucestershire County Council to provide enhanced public library services, and with health services to provide health and wellbeing facilities.

Working with local government, combined authorities and mayors

Universities are effective convenors of local partners, whether they are colleges, schools, local leaders, employers or communities.

[Civic University Agreements](#) offer an effective way for universities to engage and spread information far beyond their own campuses.

The government's white paper on [Levelling up the United Kingdom](#) notes that 100% of Local Enterprise Partnerships (LEPs) in England agree that higher education bodies play a full and active role in their LEP, and have been engaged in City and Growth Deals across the UK. This is the foundation and ambition we want to build on when it comes to future collaboration with government and industry.

The government should work closely with devolved governments and local partners to ensure that levelling up works for the whole of the UK, in ways that complement local contexts, eg specific economic challenges or devolved government policy.

According to the [UPP Foundation's polling](#), 59% of respondents want universities to play a greater role in their local economy, and 50% of the public agree that universities can and should be involved in the delivery of government services in a local area. The key themes around respondents cared about included supporting the NHS, town centre regeneration, and boosting educational attainment in schools and for adults.

Many universities have also set up innovative projects aimed at strengthening healthcare provision in their local areas.

Case studies

Universities for Nottingham

Working together under [Universities for Nottingham](#), the University of Nottingham and Nottingham Trent University jointly developed the first Civic Agreement which featured both higher education institutions in an area.

The partnership has just [launched a pioneering £5.1 million Research England-funded project](#) training doctoral researchers to undertake projects to improve the lives of communities in Nottingham and Nottinghamshire.

The key focus for the Universities for Nottingham partnership has been on strengthening relationships and collective action between the large anchor institutions who are signatories to the partnership.

The convening space has allowed them to develop shared place-based priorities, and has enabled the universities to play a key role in the development of a bid for a devolution agreement. Proposals for devolved powers have been worked up on various occasions over the years but it is the shared focus which has, finally, got it over the line – with the universities as a key partner.

Nottingham Trent University (NTU)'s Enterprising Ashfield programme



Our partnership with NTU is hugely valued. By working together, we are able to better exploit the opportunities for the benefit of the area, helping us deliver our wider ambitions for Mansfield. NTU is playing a key role in investing the area through its higher education provision, support for businesses and through community collaboration with students and staff."

Andy Abrahams, Executive Mayor of Mansfield District Council

Nottingham Trent University (NTU) has worked closely its local councils, Mansfield and Ashfield councils, to deliver a host of ambitious projects. The university has worked with local colleges and employers to create an integrated pathway from level 2 (GCSE) through to level 7 (Masters), and with local schools and parents to raise attainment.

The [Enterprising Ashfield programme](#), which secured £3.8 million from the Towns Fund, sees NTU work closely with businesses across Ashfield to offer targeted business support from start-up to scale up. This work will help to grow and strengthen the business sector and stimulate the demand for higher value skills.

University of Central Lancashire (UCLan)'s work with Burnley Borough Council



UCLan is an emerging institution within the town, and through this unique opportunity provided by the Levelling Up Fund it can take its campus presence to the next stage, raising the aspirations of the borough's young people and firmly establishing Burnley as a university town. The acquisition of the former Newtown Mill is great news and takes us another step closer to bringing this exciting project to fruition utilising an iconic building on a key gateway to the town."

Councillor Asif Raja, Executive Member for Economy and Growth,
Burnley Borough Council

UCLan worked with Burnley Borough Council to submit a successful funding bid to the Levelling Up Fund. With the funding, UCLan aims to increase student numbers in Burnley to 6,000 by 2032 and will work to regenerate derelict property by incorporating it into a Knowledge Exchange Zone to support local business needs, teaching and social space.

The focus of the Burnley campus is to provide relevant and practical education in areas such as medicine, nursing, midwifery policing and social work, as well as degree apprenticeships in digital technology and engineering. The aim is to create a long term legacy for the town and improve the life chances for generations of learners in the local area that have previously been left behind.

Embedding universities in new development initiatives

It is important that local and national policy makers can take advantage of what universities have to offer.

Universities have already helped local leaders to redevelop their communities by supporting local councils' bids for the Levelling Up Fund, Community Renewal Fund, and Town Deals.

This support has ranged from helping to write bids to providing economic data and evaluation support, often in cases where universities were not co-producers in the bids put forward.

We recommend that universities should be key partners in local initiatives and embedded in new national initiatives, including:

- the development of the UKSPF
- in England, collaborating with the Levelling Up Directors and sharing knowledge and experience with both the Leadership College and the local government data unit

Universities are ideally placed to help share ideas, what works and examples across localities, join them up with and add value to national policy making and use their extensive links to engage a wide range of partners in the process.

Supporting culture

The UK's creative industries are one of the economic success stories of the past decade, growing at four times the rate of the UK economy between 2010–2019. Our creative industries have both brought international production teams to the UK and employed local and regional talent.

This growth cuts across all parts of the UK: before the pandemic, the sector's GVA grew by 32.6% in the North West and 30% in the West Midlands. In 2019, the creative sector contributed £115.9 billion in GVA to the UK economy – more than the aerospace, automotive, life sciences and oil and gas sectors combined.

Universities foster world-leading cultural life and public engagement in the UK. In 2019–20 alone:

- 2.3 million people attended free public lectures put on by universities.
- 1.1 million attended free music, dance, and drama events at universities.
- 5.9 million attended free exhibitions at university galleries or museums.

Universities play a key role in supporting the creative industries and cultural life in the UK. They train skilled graduates, work with local councils and make significant contributions to regional economies, as well as supporting the UK's cultural prosperity and social wellbeing.

Case studies

Universities and local authorities can collaborate to create lasting, positive impact on local communities by:

- providing opportunities
- transforming public and private spaces
- strengthening the connections between people, pride, and place

These partnerships demonstrate how the role and value of the creative sector and cultural institutions and activities should be embedded in levelling up efforts and partnerships.

GamesLab Leeds programme

The GamesLab Leeds programme saw universities such as York, Hull, and Leeds provide support video game, design, and virtual reality-focused business across the across the Leeds City Region in partnership with local councils.

Falmouth University's work with local museums

Through a process of co-design and collaboration, Falmouth University worked with eight Cornish museums in coastal locations and their local communities on the wAVE project.

The project used virtual and augmented reality to bring exhibitions to life for new and diverse audiences, fostering cultural engagement and increasing visitor footfall.

Hull's bid to become City of Culture

The University of Hull was a key contributor to Hull's successful bid to become City of Culture in 2017 by providing bid-writing expertise, access to its facilities, and taking an active role in shaping and contributing to the City of Culture programme, leaving a lasting impact on the citizens of Hull.

Two in three Hull residents reported that the event increased their knowledge of the city's heritage and history, with 5.3 million audience visits taking place across the festivities. 50% of this audience of 5.3 million were local people. The other 50% were tourists who contributed to an estimated £300 million in tourism revenue associated with the event.

The university not only participated in hosting and organising events for the City of Culture, but also provided the city and local council with in-depth data and intelligence on the short and long term effects it had on the city. The University of Leeds and Leeds Beckett University are providing similar support for Leeds's 2023 City of Culture.

Ulster University's Screen Academy

Ulster University's Ulster Screen Academy acts as a hub for virtual technology and software development. Its new facilities will feature technology including an LED wall with camera-tracking technology, full-body motion capture, facial capture, a large green screen and virtual cameras.

Those studying on the course will be trained using the Unreal Engine to develop real-time 3D skills. The engine is used by developers across all platforms to drive some of the most popular video games around the world but is also used in sectors such as film, television, architecture, transport, live events, as well as training and simulation.



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[Find out more](#)

Universities UK is the collective voice of 140 universities in England, Scotland, Wales and Northern Ireland.

Our mission is to create the conditions for UK universities to be the best in the world; maximising their positive impact locally, nationally and globally.

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