

Russell Group Universities role in 'levelling up' the UK

Introduction

Russell Group universities are spread across every region and nation of the UK, delivering world class education and skills and ground-breaking research. They work extensively with businesses, charities and public sector bodies – such as hospitals and schools – boosting local economies and acting as the gateway to people and ideas from around the world.

Ideas and talent underpin innovation, so harnessing R&D taking place across the UK can bring huge benefits to local communities, towns, cities and our four nations. It is important that investment in regional innovation is backed up with support for the UK's world-class research base.

Higher education is critical to the economic future of the UK – and to its social and cultural fabric – and Russell Group universities can play a key role in rebuilding and rejuvenating these post-COVID and beyond. Our research-intensive universities already:

- **inject £87 billion into the national economy every year** through research, teaching and exports
- **support over 260,000 jobs across towns and cities of the UK**, the vast majority outside London
- **produce 68% of the UK's world leading research, worth £34bn a year**
- build a high-level skilled workforce, teaching 4 in 5 doctors and dentists and **more than a third of future engineers**
- **deliver high-quality apprenticeships**, collaborating with employers and colleges to ensure courses will prepare students for the world of work

How Russell Group Universities 'Level Up'

Providing local leadership: Russell Group universities are helping to drive major City Deals, regional health partnerships and major business investments in their communities as well as working with local partners to identify and address skills gaps.

Delivering high-value jobs: both as major employers and through their work to create "innovation ecosystems" in their regions (e.g., through research commercialisation, spin-out creation, and attracting external investment into a community).

Driving the growth of skills in their regions: Working with local partners to address local skills needs. This includes Skills Bootcamps, which give over-19s the opportunity to build up sector-specific skills and opportunities to retrain through local employers, Institutes of Technology or partnerships with FE Colleges to help provide graduates with vital skills required by local industry.

Working closely with local schools, colleges and charity partners: working to raise standards in compulsory education, improving the life chances of learners and widening access to Higher Education.

University of Birmingham • University of Bristol • University of Cambridge • Cardiff University • Durham University
University of Edinburgh • University of Exeter • University of Glasgow • Imperial College London • King's College London
University of Leeds • University of Liverpool • London School of Economics and Political Science
University of Manchester • Newcastle University • University of Nottingham • University of Oxford
Queen Mary University of London • Queen's University Belfast • University of Sheffield • University of Southampton
University College London • University of Warwick • University of York

Increasing Regional Growth Opportunities

Universities should be at the heart of nurturing and delivering regional growth clusters to grow local and regional economies.

Investment in new centres of innovation with world-leading universities at their heart will bring new high-skilled jobs and private investment. Support for vital innovation clusters **should ultimately extend well beyond the three pilot areas** identified in the levelling up White Paper, drawing on the strengths of the UK's research-intensive universities and their links with business and regional leaders.

Russell Group universities work with a wide range of stakeholders to draw in external investment and create vibrant new communities, funding infrastructure, homes and providing high-value jobs:

Southampton University's Zepler Institute's spinout companies (at the heart of a world-leading photonics and nanoelectronics cluster) employ more than 400 people with turnover of more than £100 million annually.

Bristol University's 'Science Creates' is a deep tech ecosystem that offers specialised incubator spaces, a £15 million investment fund, and a comprehensive network of strategic partners to nurture science and engineering start-ups and spin-outs. It aimed to commercialise companies like Ziylo, which worked to develop one of the first smart insulins to help people suffering with diabetes. In 2018, Ziylo was purchased by pharmaceutical giant Novo Nordisk for £623 million.

Newcastle University's Helix project, in partnership with Newcastle City Council and Legal & General, has re-developed a former industrial site bringing together businesses, spinouts and researchers. It hosts 60 organisations comprising over 1,800 professionals with over 2,300 jobs created so far.

University of Manchester's £1.5bn, innovation district, 'ID Manchester' will help to commercialise cutting edge research in the region and deliver 10,000 new high-quality jobs. ID Manchester is also projected to add £800m GVA to the regional economy annually.

Through our research excellence and commercialisation expertise, we are at the heart of emerging and developed technology-themed innovation clusters across the UK. **However, a key barrier to the creation of new innovative spin-out businesses is a lack of early-stage venture capital funding.**

Addressing this gap in the market would enable the creation of genuinely disruptive technologies, transforming regional economies and creating new export revenue markets for the UK.

- A new deep-tech university seed fund, with co-investment from the Government, as well as the private sector and universities, would support new companies to bring high-value local jobs and leverage private investment into all regions and nations of the UK.
- A one-off commitment of £200m for the fund, for example, would support at least 350 new deep-tech spin-outs across the country.

Universities as 'pride of place' champions

Russell Group universities are committed to their civic mission.

Our members help to increase pride in their places by supporting local regeneration policies and ensuring community access to their facilities, collections and cultural institutions like galleries, libraries, museums and theatres. They are also helping individuals and communities to access medical support, legal aid and learn new skills.

Some examples include:

Nottingham University has directed a Languages for Business service providing SMEs with language skills to support them in exporting goods and services and attract business from abroad to succeed in a global marketplace.

University of Liverpool's Institute of Popular Music (IPM) contributed to Liverpool's successful bid to become a UNESCO City of Music. Research on the economic and cultural value of Beatles tourism at the IPM for Liverpool has helped maintain and improve the quality of tourism, including informing the decision to designate areas of Liverpool city centre populated by Beatles-related sites as a focus for improving tourism opportunities.

Manchester University's The Works project is aimed at helping people get back into work. It is a one-stop-shop centre with free-to-use computers for job searches, writing applications and interview support from staff. Since 2011 it has helped more than 4,000 people back into jobs.

University of York have taken over the lease of York's Guildhall and are using it as an innovation hub for the community with science and innovation activities. York will also be keeping it open to the public for tours and to use the café, as well as the council using it for meetings. Students at York are also helping to come up with a post-pandemic vision for the town centre, developing a new strategy to help revitalise the city centre post-pandemic

Newcastle University's Museum of Natural History brings together the collections of the University, the Natural History Society of Northumbria, and the Society of Antiquaries of Newcastle upon Tyne. The vision of the museum is to improve children and young people's life chances through inspiring access to science and culture. It has created a unique and exclusive blend of access to world leading research and live knowledge with a commitment to and understanding of public audiences. Their 'Dippy on Tour' exhibition (a dinosaur skeleton) welcomed 304,928 visitors including 10,355 school children and contributed almost £5m to the local economy.

UCL is taking part - with other partners in the new 'East Bank' development in Stratford – in STEP, which is a 12-month programme that offers young people from East London training, mentoring and paid work in the creative and cultural sectors. STEP also provides a pathway for those people underrepresented in the sector.

With funding for these projects getting tighter, universities have often stepped in to support local museums, galleries, theatres and other cultural organisations. Moreover, many projects are funded via EU structural funds, which will be replaced by the UK Shared Prosperity Fund (UKSPF).

UK Shared Prosperity Fund

Spending Review allocations for the UK Shared Prosperity Fund have been reconfirmed at £4.8 billion across the SR period to 2024-25, including at least £800m for Scotland Wales and Northern Ireland.

As the UKSPF will focus on *"improving communities and place, people and skills, and supporting local business"*, **there is an opportunity for decision makers to ensure this levelling-up funding is used to harness work with universities on projects that can make a real difference in communities across the UK.**

As well as regeneration, up-skilling and cultural projects, the UKSPF could also support innovation and R&D, however we are disappointed there were no direct references to such projects in the White Paper and to the 'sticky' value they bring to communities and their regions. **We believe there should be flexibility within the UKSPF to support innovation, creating a strong pipeline of high value jobs and new ideas that can anchor growth and investment for the future.**