Universities, Economic Development and 'Levelling Up' – How can universities make a positive impact on their local areas?

Based on the findings of a recent report into the ways in which higher education institutions contribute to the development of their local regions. Mark Tewdwr-Jones and Louise Kempton, discuss the complexity of aligning the goals of higher education to regional economic initiatives, such as the UK government's levelling up agenda. They also highlight how good policy for productive regional engagements, is long-term, recognises diversity within regions and higher education and cuts a balance between universities as important, but not always central, actors in regional development.

The UK Government's 'levelling up' agenda has become an ongoing area of debate for policymakers and researchers, particularly in a post-Covid context. While it remains ill-defined, levelling up can be broadly understood as the need to spread growth and opportunity evenly to every part of the country and improve living standards.

It is no surprise that higher education institutions (HEIs) have already been viewed as key actors for levelling up. This is not only because of their role as major employers, but also as contributors to economic growth. In 2016, the Russell Group of UK universities estimated that the economic impact of their 24 member institutions amounted to £27.2bn, £21.3bn of which was outside London.

The last few years have also seen the rise of a parallel debate around the civic role of universities. The civic university agenda, crystallised in the establishment of a <u>Civic University Commission</u> and subsequent report, which saw over 60 universities across the UK sign Civic University Agreements in partnership with local 'anchor' institutions, committing them to focus on the needs of the local community. Many of these, often newer institutions, located in smaller urban areas and in lagging regions, play much more significant economic and leadership roles in shaping their places than their higher profile counterparts.

We know what universities are good *at*. Research and teaching metrics, league tables of excellence, and the glossy media and marketing campaigns from university public relations departments constantly reinforce the message. But, what are universities really good *for*, especially in their own regions?

Getting university – place relationships right

As part of a <u>recent study</u>, we examined the role of universities in their cities and regions and looked at both the opportunities and the barriers for universities – and their employees – of 'giving something back'. There have been several attempts in recent years to create conceptual frameworks and models to help universities and policy makers understand the role and contribution of higher education to local and regional development. Most of these models have failed to fully reflect three key sets of issues:

- The unique regional context (economic, social, political).
- The changing policy environment for higher education and territorial development (eg. 'levelling up').
- The diversity of management and leadership structures of universities themselves.

Our own research pointed to several other misconceptions around the role of HEIs in their local areas. First, policymakers should not assume the automatic involvement of HEIs in shaping regional strategies purely on their status as the only one in the region. HEIs that are one of many in the region are just as likely to align their teaching and research to regional need as those that are a sole provider. However, where there are multiple HEIs in a region, engagement may be less institutionally-embedded, pointing to a need to invest in building capacity to ensure the right people get involved at the right stage.

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Younger institutions are more likely to be regionally orientated than older, research-intensive universities. However, younger institutions also lacked the institutional capacity and resources to support effective engagement, often being overlooked in favour of higher profile, older HEIs. Smaller HEIs also tended to be more specialised in areas that do not necessarily map onto the regional economic structures, while larger institutions are less likely to align their research around regional need, because of their national (even international) perspective on research and recruitment.

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There can sometimes be an implicit assumption that HEIs in places with greater regional autonomy and control over higher education policy will be more orientated to regional development. However, this is also not necessarily the case. HEIs in these places face the same demands and pressures (e.g. student recruitment) as those in places where policy is determined centrally. Another factor might be the wider institutional context for regional development; places with devolved systems may have a wider breadth of organisations with a regional remit and therefore the gaps and spaces for HEIs to fill may be more limited than in other, more centralised, systems.

HEIs in 'left behind' places are already more likely to see their role as central and strategic to regional development and align their research accordingly. HEIs in prosperous places in contrast are more detached, due to the number of other institutions active in regional development in these areas. This raises some serious concerns about the correlation between institution and place vulnerability, and the danger that universities in 'left behind' places are overburdened by trying to respond to local needs, while those in thriving places are let off the hook and allowed to concentrate their efforts on the core business of *being* universities.

Developing mutual understanding and real partnerships

Acting 'civicly' in itself could be seen as a natural role for many universities. But, the ease with which universities can embark on such work is often constrained by the higher education context, the prevailing governance and policy regime, and the availability of incentives to reward collaboration. The most successful research-led universities tend to put a higher premium on research impact (disseminating work outward to audiences) and internationalisation agendas, over regional and local engagement.

Furthermore, undertaking place-based activities often requires building up from scratch new platforms to assist in collaboration and coproduction. This means an investment in personal and inter-institutional trust, the designation of an appropriate funding resource to draw down from, and the necessity to align as best as possible disciplinary focus and expertise with real world needs. All of this takes time and therefore needs a long-term vision and resource commitment. Doing things in an ad-hoc way (often in response to short term funding availability) can even result in worse outcomes for university-local relations than doing nothing at all.

Universities would be wise not to expect early returns from working more prominently in their places

The final challenges are around the returns of university-regional collaboration. Working via a coproduction approach, where different representatives of government, business and communities work together with academics, might develop new ideas for policy, new innovation projects, business growth ideas, or even community cohesion. But, delivering back, satisfactorily, for all partners may occur differentially and occur at different times. Universities would be wise not to expect early returns from working more prominently in their places.

So what does the existing evidence around universities and regional development point to going forward, especially for policy makers interested in building relations with universities to address levelling up issues?

- 1. Consider factors such as HEIs internal leadership, institution size, age and history when designing strategies to involve HEIs in regional development.
- 2. Understand that HEIs and the places where they are located have a high level of diversity and avoid duplicating "one size fits all" approaches or models of success from other places.
- 3. Design policies and programmes that play to the strengths and motivations of individual institutions to maximize their contribution.
- 4. Consider the regional context in programme design and incentivise HEIs to take part in activities that support the development of resilience and adaptive capacity.
- 5. Above all, be realistic. Universities might be necessary for local development, but they are not sufficient; there are limitations to what can be achieved. Modest, well designed policies are better than those based on an overly optimistic and ultimately naïve view of the university as a central and lone actor.

This post draws on the Regional Studies Association funded Policy Expo: <u>Putting Universities in their Place: An Evidence-Based Approach to Understanding the Contribution of Higher Education to Local and Regional Development</u>, By Louise Kempton, Maria Conceição Rego, Lucir Reinaldo Alves, Paul Vallance, Maurício Aguiar Serra, Mark Tewdwr-Jones & Philip R. Tomlinson.

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