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UNIVERSITIES AND REGIONS FORUM: WHAT ROLE FOR UNIVERSITIES IN LEVELLING UP?



Des McNulty (On behalf of Mike Boxall, John Goddard, Anne Green, Chris Millward and Rebecca Riley)

[Mobilising the Power of Universities in Levelling-Up: A new Universities and Regions Policy Forum](#)

First Meeting of the Forum

The first meeting of the Forum brought together leading thinkers and experts from universities and the broader public policy worlds to consider how two big agendas might be brought together: the place rebalancing agenda set out in the UK Government's Levelling Up White Paper and the civic role of universities and how they can play that role most effectively. This blog sets out some of the key points made by our speakers and participants to inform a follow up session, scheduled for 23rd June

Our objective was to identify and propose ways of bringing universities to the heart of the levelling-up agenda across every branch of government and in the places where levelling up is a priority. To frame the discussion, there were a series of questions, focusing on four themes: resources, collaboration, innovation and community engagement, which led to a wide ranging and intense discussion.

Although universities are not as prominent in the Levelling Up White Paper as their size, spread and relevance to the Levelling Up missions might suggest, the Forum identified how the government's strategy could drive a step change in their local partnerships and impact.

Government wants levelling up to be delivered through the empowerment of a broad coalition of local leaders and organisations across the country, rather than relying on Whitehall or local government alone. This builds on the bottom-up growth trend in universities' civic engagement, which has been influenced by devolution and city-deals, together with partnerships driven by academic staff, students and local partners to address local challenges, particularly during the pandemic. It reflects the diversity and complexity of universities' local relationships and has the potential to leverage increased investment and engagement through the involvement of multiple stakeholders from city-region through to hyper-local levels.

In order, though, for this approach to meet the challenge set by the Levelling Up missions, the government will need to ensure that its accountability framework drives all government departments to align with the strategy. This requires new criteria and measures for the areas of funding and regulation that most influence universities, including shared performance and accountability frameworks across education, research, health and local government, so they incentivise local partnership and shift civic engagement into the mainstream.

A new landscape for universities and regional development

While an increasing number of outstanding examples of university/civic collaborations demonstrate the potential of universities to contribute to the wellbeing of the communities they serve, universities don't figure much in the White Paper. They are mentioned in connection with sector specialisation and some but not all regional clusters. Graduate movement to the Southeast in search of career opportunities is seen as a contributory factor in other areas of the country being left behind. But little is said about the role of higher education institutions as regional or civic anchors, despite universities being amongst the largest employers and major place-making actors in many of the places where they are located.

Since they are more widely distributed around the regions of the UK than most other areas of government spending, universities might feel they have little to fear from a spatial audit as envisaged in the White Paper. Yet many of the left behind areas identified by the government are 'cold spots' where there is no university provision. Differential participation rates and patterns of student choice, including young people moving away from home to study, agglomerate provision and economic benefits in already advantaged places, reinforcing social as well as the spatial inequalities that are highlighted.

The UK government's commitment to redistribution affecting the sector, the proposal to increase R&D expenditure outside the Southeast by a third in the current spending review period, is carefully framed to avoid any corresponding reduction of resources going to Oxford and Cambridge and the London research intensives. It is likely that any R&D investment going to universities outside the Southeast will predominantly go to institutions that compete at national and international level rather than to those whose primary purpose is to serve more local needs. The identification of 'strong universities' in the White Paper will stimulate research intensives to consider how their expertise might contribute to regional growth but this formulation excludes others.

Accustomed to playing the long game, some vice chancellors might calculate that levelling up is a passing fad that will last no longer than Michael Gove remains as DLUC Secretary of State. The backlash from traditional Tory supporters and elected representatives in the South of England against policies that appear to favour the Midlands and the North lends weight to this view, as does knowledge that few policies stick without Treasury buy-in, which has been conspicuously missing thus far. However, broad cross-party support for addressing regional imbalances means that delivering on levelling up commitments will be a litmus test in competition between political parties.

Universities as actors, rather than contractors

We heard from senior civil servants that despite being scarcely mentioned in the White Paper, the government sees universities playing a key role, not only in strengthening the private sector but also in contributing to regeneration and place-making, to regional skills systems as well as through their direct skills provision, to the development of innovation ecosystems and to innovative ways of tackling mission challenges such as improving healthy life-expectancy. At events following the publication of the White Paper there have been indications from DLUC Ministers that the government sees empowerment of a broad coalition of local leaders and institutions rather than just local government as the way forward.

If the door is left ajar to greater involvement, how should universities engage with the levelling up agenda? What are the opportunities and risks involved? Participants at the forum felt there was a helpful confluence between the government's levelling up agenda and the bottom-up growth trend in civic engagement activity. Fuelled by a combination of factors including city and devolution deals that have created incentives for collaboration with local authorities and other civic partners in their task of economic development, pressure on anchor institutions to contribute to local priorities and the involvement of staff and students in community initiatives, universities increasingly want to be seen to be engaged in tackling local social and economic challenges, both on their own account and as part of wider local and regional collaborations. Over 100 universities have joined the Civic Universities Network, civic agreements are being formalised in many places across the country and community and place-related engagement are being embedded within university institutional strategies. The 'all hands to the pump' response to the pandemic has accelerated partnership activity, broadening and deepening local connections between universities and civic partners in many parts of the UK.

The whole of government ambition of the White Paper, the adoption of a missions and pillars approach and its encouragement of local partners to take responsibility for initiatives aimed at improving the wellbeing of communities have the potential to affect not just the mechanisms through which government funding is allocated to places but also the appetite at local and regional level for collaboration - between different actors with different capabilities, animated by shared goals. Despite a legitimate concern that conflicts might arise between the place agenda and what universities have traditionally seen as their purpose and role, it would be short-sighted for universities to stand back from levelling up.

Universities' relations with central government have largely been through BEIS and DFE (although in Scotland and Wales, universities look to the devolved governments for policy on teaching). If levelling up is associated with a rewiring of Whitehall, as Ministers maintain, with departmental performance metrics and accountability frameworks introduced to drive spatial redistribution of resources and targeting delivery of the 12 missions through local collaborations, the place-blind mechanisms through which higher education funding is allocated will almost certainly come under scrutiny. If levelling up generates new criteria and mechanisms to measure impact, universities will have a strong interest in influencing and potentially shaping how this might work. By engaging with policy makers in central, city-region or local government and with business and community partners on the place agenda, demonstrating that they are both willing and have the capability to make a significant contribution to the missions and targets that the government is setting and to which local partners are responding, universities can legitimate their involvement while exercising and expanding their anchor role.

At the initial forum meeting we asked participants for views on whether greater flexibility within the HE funding and regulatory frameworks would give more scope to universities undertaking collaborative initiatives and drawing from local funding sources for these purposes and what scope there might be for (i) tilting the discretionary and

formulaic elements of university funding towards contribution to mission-linked local social and economic needs, and (ii) for universities to be given access directly or as a partner to other sources of government funding geared towards levelling up?

In response, we were firmly told that universities should demonstrate what they can do, earning the right to play their part in the development of place focused initiatives and strategies aimed at improving the economic and social fabric and boosting prosperity, rather than hold out the begging bowl for an additional stream of dedicated funding. In the levelling up game, universities should think of themselves as actors rather than as contractors.

Smart new ways of tackling sustained problems

With the appointment of levelling up directors, charged with corralling and bringing together government departments and institutions in the places they represent, co-ordination across government will interface with regional and local partnerships to drive forward place agendas. With local government in a weakened state due to funding constraints, and in many parts of the country lacking the capacity to develop the necessary narratives and competitive bids without the support of partners, there is an opportunity for universities embedded at local level across the UK to become pro-active players, boosting the leadership capacity of places and in some instances providing the drive and vision for place-focused investment. By finding smart new ways of tackling new and old problems, shaping the development of local skills and innovation ecosystems and by working to address the other productivity and social challenges impeding prosperity, universities can be agents of change.

Even before levelling up comes into effect, there are many examples of Universities' committing resources and leadership capacity to get ambitious partnership projects off the ground. Universities are particularly good at finding routes to sources of funding. Collaborations with local partners are instrumental to the extent that they can help unlock funding from research councils and charities who increasingly require evidence of impact or transactional commercialisation and proprietary exploitation of university research, especially in the advanced technologies. New pots of funding for investment in facilities and infrastructure such as BEIS Strength in Places awards and the Innovation Accelerators announced in the White Paper provide financial support for more purposeful forms of government, business and university engagement focused on the consolidation of regional strengths in R&D and innovation clusters on, or adjacent to, university campuses.

However, if universities are to contribute consistently and all the time, a shift in mindset, leadership approach and culture are needed. HE funding arrangements are predicated on competition rather than collaboration between institutions. Incentive structures within universities and management priorities are focused on student throughput and research grants/publications. Those accustomed to competition for resources within an enclosed HE system might find it difficult to adapt to levelling up arrangements where funding is channelled towards places, in which actors with different resources are animated by their shared commitment to solve a specific challenge. If funding is directed to projects and programmes, universities stand to benefit from access to new income streams - but they need to invest time and energy in capacity building and visioning, with no certainty that they or their partners will be successful in attracting additional resources.

In the absence of a funding stream coming from central government directly to universities to support levelling up activities, participants discussed the desirability of creating funding ecosystems through which collaboration is incentivised and collective impact rewarded. Cocktails of funding, bringing together different actors with a long-term commitment to drive change are being increasingly used by philanthropic foundations, increasing flexibility and reducing the restrictive effect of silo mentalities. Taking a long-term, more systemic approach to funding to address complex problems is easy to get wrong - a better understanding what barriers currently impede progress and what makes for impactful, innovative practice is important both for government and for universities. Shared performance and accountability frameworks, in which (i) the common aims of all partners in local levelling-up initiatives, (ii) agreements specifying the contributions each partner has committed to, and (iii) monitoring arrangements for measuring the impacts of their respective activities are set out, could help align the contributions of universities, other providers, and civic stakeholders at local and regional level.

Although increased co-operation between universities already occurs in places where personal relationships are good, trust has been established and there are complementary competences, sustained multi-institutional local collaborations aimed at the mission objectives of levelling-up are not currently incentivised within the HE system. Mechanisms are needed to draw together the contributions universities can make on specific issues where they are well placed to deliver. Tilting the formulaic and discretionary element of university funding towards collaboration between universities in support of mission linked social and economic needs offers a way forward, but one that would need to be carefully crafted to ensure that expertise to design and implement initiatives and plans is made available to localities where spatial, governmental and economic identities are less coherent as well as to the 'functional economic areas' referred to in the White Paper.

Across the public sector, funding arrangements are vertically aligned, with local government, health, universities and other public sector bodies each being funded by a different government department. The proliferation of funding pots for regeneration and innovation, each with its own eligibility and accountability rules, makes horizontal collaboration needed for effective place interventions difficult, especially longer-term partnership working which starts at the design stage and goes beyond a single project. A better alignment of funding pots is a significant strand of work within DLUCH – but the introduction of lighter touch cross government accountability rules that enable partners to drive forward levelling up projects and programmes by sharing resources where appropriate would mark a significant step towards the gestation of healthy collective ecosystems while strengthening the golden thread that connects the work of a range of partners in a given place to national policy.

If, for example, through innovative approaches which focused on collective impact, research funding could be used to contribute to the delivery of change, some of the devolution funding being channelled through local government used to support capacity building across local partners and the private sector were brought to the table to contribute its expertise and resources, it would help forge a collaborative mindset. Private sector involvement and leveraging investment from companies are key to the government's levelling up agenda – the trick is getting the right mix of incentives to make things happen and inspire confidence that action will bring results.

Universities generating pride in place

The White Paper identifies 'pride in place' as an important element of levelling up – requiring that careful attention is paid to the perceptions of people living in left behind areas. The use of quantitative 'crushable' data needs to be supplemented by other techniques for gathering evidence about what matters to people - which may be different in one place from another. Without engaging with communities, how can people's priorities such as natural beauty and the quality of environment, social capital and the diversity and quality of cultural activities be weighted? Public policy innovation and transformational applications in societal challenges are arguably as important as innovations in technology or scientific work, but they are not equally valued, either by universities or by governments. Levelling up creates opportunities for academics to develop co-produced experiments and innovations that leverage capabilities and assets within communities. Participatory approaches are particularly relevant in the social and health sectors but can be applied in cross disciplinary and interdisciplinary projects and in combination with other approaches to provide ways of measuring what people think and feel about the way forward for their community and place.

One area where there are shared interests between civic partners, universities and business in joint working is net zero commitments and adaptation challenges which vary from place to place across the UK. Many universities are actively considering how they might reduce carbon consumption in the light of the climate emergency and increasing energy costs. Meanwhile large companies are developing their sustainability and social responsibility agendas, some of which are more ambitious than equivalent plans in the HE sector. Is there scope for collaboration, given the availability of public and private funding to support climate initiatives, which would provide early impetus and a mechanism for mission-driven community mobilisation and place-related levelling-up focused on environmental sustainability?

A key plank of levelling up (in England) is double devolution – shifting power to the neighbourhood level as well as transferring responsibilities from central government to those places such as West Midlands and Greater Manchester with the leadership and delivery capability to make effective use of additional powers. Universities are playing a key role in building economic development capacity not just in these places but in many others across the UK. There is scope for collaboration within and between places around civic capacity building, which could be extended into other mission priorities and support for those areas of the UK currently deemed to lack necessary structures and skills? Co-ordinating how this might be done should be a priority both for government and for the sector.

Universities across the UK have staff with expertise in working with communities. But universities are not always at the forefront of community empowerment – models and engagement techniques have been developed by specialist organisations that have proved effective. If we could combine the insights derived from collaborations geared towards social innovation, the co-production of knowledge and the development of living labs to thicken connections between universities and communities and community organisations, that would be a significant step not just in linking universities to the levelling up agenda but also in empowering communities and helping deliver change that people feel the benefit from at a hyper local level, which in turn might increase trust and public awareness of the contribution that universities are making to community wellbeing.

What next?

Follow up Forum events will focus on identifying how universities can grasp the opportunities for bottom-up local engagement and impact, including examples of where and why this is succeeding currently. We will particularly focus on how universities can drive the missions relating to skills, R & D and wellbeing, their positioning within inclusive local ecosystems that can drive the Levelling Up missions bottom-up and the criteria and measures that may be needed for the shared performance and accountability frameworks that will be needed to facilitate this. The issues raised in this paper will be updated and rolled forward in the light of the discussion.

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