

21 March 2022

The Rt Hon Michael Gove MP  
Secretary of State for Levelling Up, Housing and Communities  
Minister for Intergovernmental Relations  
Department for Levelling Up, Housing and Communities

Dear Secretary of State,

### **Universities and levelling up**

The levelling up challenge is a critical priority and universities can make a major contribution to increasing opportunity and prosperity. I am writing to you to suggest how we can work with you to support levelling up and to seek urgent clarity on the interim funding arrangements for the UK Shared Prosperity Fund (UKSPF).

We have engaged across our 140 university members including those who are part of our economic and social recovery task force, chaired by Professor Chris Day, Vice-Chancellor of the University of Newcastle. Our members strongly welcome and support the intentions and ambitions set out in the White Paper. We agree that addressing regional disparities in wealth, quality of life and productivity is an economic, social, and cultural necessity, as well as a moral duty. Ensuring future economic growth across all regions and nations of the UK, underpinned by increasing opportunities for high-skilled, high-quality jobs, are key foundations for a successful society.

We recognise that achieving the broad scope of levelling up ambitions will be a significant challenge, but the potential rewards are equally significant. We want to help mobilise the university sector to meet this challenge. We need a transformational, ambitious approach that builds on, shares and scales up existing activities but also challenges us to review, rethink and rejuvenate our approaches and

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values. Universities stand ready to take on this challenge and can play a key role in supporting its success.

We want to help engage every university to meet this challenge. If we successfully involve all universities, maximising their contribution by bringing together their diverse strengths, activities and partnerships, we will ensure a greater impact than the sum of their individual roles.

The White Paper highlights the vital roles that universities can play including:

- Developing higher level skills which drive more productive places and more productive enterprises.
- Helping to create and underpin economic clusters and creating, attracting and keeping jobs in places.
- As an important growth sector, universities increase professional employment, drive the development of the UK as a 'Science Superpower' and harness research and development to drive economic growth across the UK.
- Universities are key civic institutions central to growth efforts and are vital partners for local authorities, leaders, communities and charities.
- The social and cultural impact of universities help make communities better places to live.

We attach initial suggestions for how we can work in partnership with government to ensure universities can fully support levelling up.

Given the breadth and value of what universities can do to support this agenda, the uncertainty around implementation of the UKSPF, especially the timing, seriously threatens many university projects that are directly supporting local employers and communities. These projects are particularly impactful because they leverage in private funding and are widespread around the UK, already contributing to levelling up. Many projects support local small and medium-sized enterprises (SMEs) with business advice, skills development and recruitment, underpinning growth. SMEs are

the backbone of employment and economic growth in many local areas where there are no large employers.

As European structural funding ends so will the valued projects it supports, leaving experienced staff that should be underpinning the future success of the levelling up agenda at risk of redundancy. We estimate that as many as 164 projects could stall or stop in England alone. We need more clarity about funding in addition to what is included in the pre-launch guidance. Investment priorities must enable universities to contribute through skills development, business support, research and innovation and we need continuation of funding identified where there are gaps as soon as possible. It is also critical that the UKSPF successfully promotes levelling up in the devolved jurisdictions as well as England and has implementation mechanisms that enable this.

We would welcome the opportunity to meet with you and officials to discuss how we can effectively work together to ensure universities can make the maximum contribution to the ambitious and essential levelling up of the UK.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A. Jarvis', with a long horizontal flourish extending to the right.

**Alistair Jarvis CBE**

Chief Executive

Universities UK

## Initial suggestions for how universities can collaborate with the government to support levelling up

1. To maximise the impact of universities it is important that they are built into local initiatives such as the Shared Prosperity Fund and County Deals and effectively engaged in the infrastructure being developed to support levelling up. As a membership organisation, we are in a strong position to help engage universities at both levels and can rapidly and effectively share information with and engage our members across the UK.
2. We already support the Knowledge Exchange Concordat, with over 100 universities reviewing the range and impact of their knowledge exchange activities and setting ambitious targets for growth and development. These activities include local regeneration, business support, enterprise and skills development. We have a strong network which we use to share and develop good practice, so institutions can learn from each other and partners to achieve more, and achieve it quicker. We can use this network and our wider membership to help develop, share and adopt what works in levelling up. We are willing and able to help you leverage their expertise, connections and enthusiasm.
3. Universities are also effective at bringing together local partners, including colleges, schools, local leaders, employers or communities. They offer an effective mechanism to engage and share information far beyond their own campuses.
4. We can also provide support for the Levelling Up Directors, the new data body, and the Leadership College through our members' expertise.
5. Alongside the Levelling up White Paper is the introduction of Lifelong Loan Entitlement (LLE). This has the potential to create more flexible options for people to learn and reskill throughout their lives. Universities are committed to building on and growing their partnerships with colleges and employers to respond to skills needs, develop more flexible provision and transform

opportunities at the local level. Government needs to work with universities to ensure that their contribution to skills development is embedded at both national and local levels to provide a strong foundation for levelling up and increasing opportunities.

6. The Office for Students (OfS) in England is currently refreshing its approach to regulating access and participation. This will include a requirement for universities to work closer with schools to drive up attainment. It will be important that these new approaches allow universities the flexibility to respond to the needs of schools and colleges in their regions, target interventions where they will have the most impact and ensure that these initiatives support and reinforce levelling up.